

The NATIONAL UNDERWRITER

Life Insurance Edition

OFFICE
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INSTITUTION
#824

MS. LAB.

A WELL EQUIPPED AGENCY

MAR 19 1937
B-410

Reference Work

An Agency should have at least one copy of all reputable Life Insurance Selling Services for reference purposes. A lawyer would not think of operating an office without Blackstone.

Attract Agents

Prospective Agents are more readily attracted to the better equipped offices.

Help Agents

Many Agents have been pulled out of a slump by a re-study of the fundamental principles of some part of the selling job. See the new "Problem Index", now furnished with the Salesmanship Section of The Diamond Life Bulletins, which will assist in diagnosing selling weaknesses.

Sales Talks

Tested sales talks for every "need" will be found in the seven volumes of accumulated Files. New canvasses appear in the Monthly Supplements as they come to our attention.

Sales Plans

Most of the workable Sales Plans will be found in these Files which we have been accumulating and revising for 16 years.

Tax and Business Insurance

Agents specializing in the higher branches of Life Underwriting, such as Income and Inheritance Taxes, both Federal and State; Estate and Gift Taxes; Wills and Business Insurance can find valuable help in referring to these special Sections. Our recently revised Section on "Sole Proprietorship Insurance" is the most comprehensive treatment of the subject yet published. The Section on "Partnership Insurance" is now under revision.

Training Booklets

General Agents and Managers have found our new "highlighting" booklets useful in training new men and in stimulating established Agents. These attractive pocket-size booklets cover the subjects of "Life Insurance Situations," "Prospecting," "The Approach," "Life Insurance Property" and "The Term Insurance Fallacy." Other booklets will follow from time to time.

Tax Booklets

Our booklets "Life Insurance and Federal Tax Laws" and "Reducing Your Taxes" which have been published now for five consecutive years, are enjoying a wider use each year.

The Cost of Equipping an Agency is comparatively small when spread over a term of months.

SALESMANSHIP SECTION \$4 A MONTH THE FIRST YEAR
\$2 A MONTH THEREAFTER

PRESENT SUBSCRIBERS CAN SECURE A FOURTH MISCELLANEOUS BINDER AT OUR COST — \$1.50.



THE DIAMOND LIFE BULLETINS . . . 420 East Fourth Street . . . Cincinnati, Ohio
A NATIONAL UNDERWRITER PUBLICATION

FRIDAY, MARCH 19, 1937

BEHIND THESE FIGURES

THE NATIONAL LIFE AND ACCIDENT INSURANCE COMPANY
INCORPORATED
SHIELDS YOU

\$80,734,482
INCREASE OF LIFE INSURANCE IN FORCE DURING 1936

\$536,728,355
TOTAL LIFE INSURANCE IN FORCE DECEMBER 31, 1936

ON THE SAME FOUNDATION
STILL STANDS THE SHIELD OF
PROTECTION WHERE IT HAS
STOOD FOR THE LAST 35 YEARS

**STRENGTH
INTEGRITY
FAIR DEALING
Progressiveness**

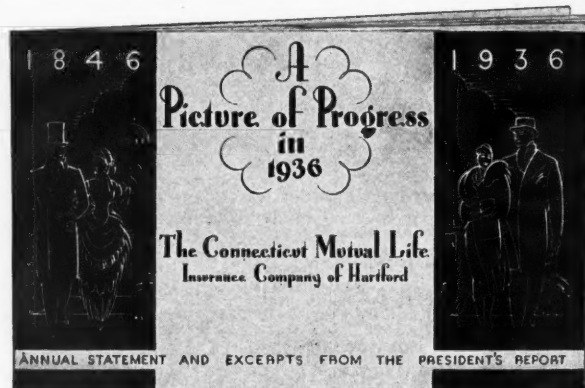
The
**NATIONAL LIFE AND
ACCIDENT INSURANCE CO.**
C. A. CRAIG, Chairman of Board W. R. WILLS, President

**Home Office
NASHVILLE, TENNESSEE**

35th Anniversary Celebration in Nashville — April

914 years

of **DEPENDABLE PERFORMANCE**



Visualizing the "Figures"

... again Connecticut Mutual visualizes the annual statement figures and brings to its policyholders and friends a picture of its 1936 progress in a highly readable and interesting form.

... policyholders, prospects, agents and general agents say they like this unusual method of presenting the "figures".

... we'd be happy to send a copy of "A Picture of Progress in 1936" to anyone who may be interested.

The
CONNECTICUT MUTUAL LIFE
INSURANCE COMPANY • HARTFORD

The NATIONAL UNDERWRITER

Forty-First Year—No. 12

CHICAGO, CINCINNATI, NEW YORK AND SAN FRANCISCO, FRIDAY, MARCH 19, 1937

\$3.00 Per Year, 15 Cents a Copy

No Slump in Bonds Due, Says Expert

Prof. Marcus Nadler Tells Savings Bankers Downward Trend Is Past

BUOYED UP BY RECOVERY

Sharp Declines in Long-Term Securities Occur Only in Periods of Economic Stress

NEW YORK, March 18.—All indications are to the effect that the downward trend in interest rates resulting from excessively high bond prices has come to an end, even though a material increase in short-term money rates and a slight increase in yield of triple-A corporate bonds seems inevitable, Marcus Nadler, assistant director Institute of International Finance, New York City, and professor of finance, New York University, declared at the spring savings bank conference held under American Bankers Association auspices. No break is to be expected during the upswing in the business cycle, Professor Nadler said, adding that past experience has shown that a sharp decline in long-term bonds takes place only in a period of great economic stress.

"The greatest decline in bond prices took place during 1932 and the early part of 1933, when the country was confronted with an unparalleled banking crisis and when most banking institutions were anxious to convert their investments into cash," he pointed out. "A period of rising prices and of business recovery, particularly when accompanied by confidence, shows but minor fluctuations in bond prices."

Only Fear Can Cause Break

"Only fear can cause a sharp decline in the bond market—fear of a drastic increase in interest rates, caused by stringent control to curb inflation. Fortunately, the board of governors (of the Federal Reserve system) which has great control over the money market, is not upset by a psychology of fear."

"The board, in raising reserve balances to the limit permitted by law, has shown considerable courage and independence of action, and a clear understanding of the credit problem. The efforts of the Treasury to sterilize new gold and the fact that no new money was raised for the March 15 financing, shows the desire of the government to prevent an injurious expansion of credit. The board of governors has more power in the money market today than any government agency has ever enjoyed in the history of the country."

"Through its spokesmen, the board has on several occasions reiterated its belief that money rates will continue to remain low. Should speculation develop and should more rigid control become

(CONTINUED ON PAGE 11)

Look for Premium Increase by More Non-Par Carriers

COUNT INVESTMENT FACTOR

Expected That Almost All Offices Will Take Action Before End of This Year

Life men look for many rate changes among the non-participating companies by July 1. Now that the Aetna Life, Travelers and Connecticut General Life have increased their non-participating rates it is natural to suppose that the next group of companies as to size will follow along. In fact, it is a prediction that this particular group will probably make their adjustments by the end of the year. Then following that the lesser companies in size or many of them are expected to increase their premiums within another year.

Low Interest Rate Is Factor

It seems a foregone conclusion that almost all companies will find it necessary to boost their premiums due to the low interest rates and with little indication of any upward turn. The investment situation is anything but rosy. Companies are beginning to economize in various ways. Expenses have gone up to some extent and business is more difficult to secure. Companies are obliged to rely on their mortality savings for profits. Therefore agents who are on the alert are taking time by the forelock and bringing to the attention of their prospects and policyholders the fact that they should take what insurance they can pay for now before the premiums are increased.

Production Perked Up in February Report Shows

After a somewhat discouraging start in January, life insurance production made a healthy gain in February as compared with the same month a year ago, the monthly report of the Life Presidents Association indicates. The gain in February was 7.5 percent as compared with February, 1936. For the first two months, production this year is ahead 2.9 percent as compared with the first two months of 1936.

In February, 1937, total new business was \$711,825,000. New ordinary sales amounted to \$459,347,000, increase 9.5 percent. Industrial managed barely to keep in the plus column with a gain of .1 percent and total February sales of \$212,231,000. Group had a 32 percent gain with total sales of \$40,247,000.

For the first two months, total new business was \$1,382,101,000. New ordinary shows a gain of 3 percent, industrial .6 percent and group 15.1 percent.

Encouragement is found in the fact that although for the first two months this year new ordinary insurance showed a gain of only 3 percent, for the first two months of 1936 the production was 20 percent less than for the same period in 1935.

Henderson Aley, Topeka, Kan., general agent United Benefit Life and Mutual Benefit Health & Accident, has recovered from a month's illness.

Nation-wide Observance of C. L. U. Movement March 22

HUEBNER, McCAHAN TO SPEAK

Tenth Anniversary Celebration Is Planned in Many Cities by Agents Groups

National observance of the C. L. U. movement will occur March 22, when the tenth anniversary of founding the American College of Life Underwriters will be celebrated. Thirty-five cities have indicated intention to participate and 29 local C. L. U. chapters have scheduled special meetings.

A special feature will be distribution of a booklet entitled, "The First Decade," summarizing progress of the American College. This booklet, illustrated with photographs and charts and attractively bound, was written by L. C. Woods, Jr.

One Company Has 135

The Northwestern Mutual Life leads the country in number of C. L. U. in its ranks, 135. The 15 other ranking companies (with 25 or more C. L. U.) are: Equitable of New York 120, Massachusetts Mutual 71, Mutual Benefit 55, Prudential 52, Penn Mutual 49, New England Mutual 47, Mutual Life 42, New York Life 41, Travelers 35, Provident Mutual 33, John Hancock 30, Aetna Life 28, Union Central 27, Connecticut Mutual 26, Pacific Mutual 25.

To Chicago belongs the honor of having formed the first C. L. U. chapter—August, 1930. Philadelphia was second, September, 1931. Baltimore third, Los Angeles fourth, Portland, Ore., fifth, San Francisco sixth, St. Louis seventh, all in October, 1931.

New York in Lead

New York City leads in number of C. L. U., 139. Ranking positions of other cities having over 20 are: Chicago 113, Philadelphia 93, Los Angeles 62, Cincinnati 41, Baltimore 36, Washington 33, Pittsburgh 32, Boston 27, San Francisco 24, Seattle 24, Cleveland 23, Detroit 22, Indianapolis 21.

Dr. S. S. Huebner, president American College, will speak at a luncheon meeting of the Philadelphia chapter, and Dr. David McCahan, dean American College, will address the Washington, D. C., chapter at a dinner. Los Angeles and San Francisco plan interesting celebrations later on in connection with a sales congress March 26.

Grant Hill a Speaker

A. J. Johannsen, president National chapter of C. L. U., will preside at the dinner of the Chicago Association of Life Underwriters and Chicago chapter of C. L. U. Monday. Grant L. Hill, Milwaukee, director of agencies Northwestern Mutual and a director American College, will be principal speaker. Brief remarks will be made by W. H. Spencer, dean school of commerce, University of Chicago; E. C. Davies, acting dean Northwestern University school of commerce; Frederick Bruchholz, president Chicago association, and L. M. Buckley, president Chicago chapter of

(CONTINUED ON PAGE 10)

Exemption Ruling on Social Security

U. S. Revenue Bureau Puts Premium on Membership in Home Loan System

U. S. INSTRUMENTALITY

Important Decision Points Way to Avoid Imposition of Tax on Agents

By a ruling of the internal revenue bureau, employees of insurance companies which are members of the federal home loan bank system are exempt from taxes under the social security act. Such companies are deemed to be "instrumentalities" of the United States under taxing provisions of the act, come within the exceptions in sections 811 (b) 6, and 907 (c) 5 of the act and therefore are not subject to the taxes under titles VIII and IX.

This is seen as a possible means of avoiding imposition of the tax on agents and general agents. A few life companies have become members of the federal home loan bank system, but the number is limited.

Ruling Was Requested

The ruling was announced in the internal revenue "bulletin" just issued and is known as "S. S. T. 109." It was in response to a request. The ruling states, "It is held that building and loan associations, savings and loan associations, cooperative banks, homestead associations, insurance companies and savings banks, chartered by the various states, which are members of the federal home loan bank system, are instrumentalities of the United States under the taxing provisions of the social security act, and that services performed by individuals in their employ come within the exceptions contained in sections 811 (b) 6 and 907 (c) 5 of that act. The organizations and their employees are not therefore subject to the taxes imposed by titles VIII and IX of the act."

Except Government Service

These sections refer to employment or service of whatever nature performed within the United States by an employee for his employer, excepting among others, "Service performed in the employ of the United States government or of an instrumentality of the United States."

Article 11 of regulation 91 and article 206 (5)-(6) of regulation 90 construing provisions of the law provide that the exception extends to every service performed by any individual in the employ of the United States, including every unit or agency of government without distinction between those exercising functions of a governmental nature

(CONTINUED ON LAST PAGE)

Valuable Tips in New York Congress

"Sell Prestige, Not Insurance"

D. B. Flugelman Stresses Approach, Lets Close Take Care of Itself

SPEAKS AT SALES RALLY

Makes Habit of Seeing at Least Four New Persons Every Week

NEW YORK, March 18.—The effective salesman does not sell life insurance, he sells prestige, the intangible factor that is almost always the determining element in closing the sale, said D. B. Flugelman, Northwestern Mutual Life, New York City, at the joint New York-New Jersey sales congress here today.

"The fine distinction between selling life insurance and selling prestige is evident when it is realized that the highest form of salesmanship is that performed by the indirect method," he pointed out. "It is a generally recognized principle of psychology that the indirect method, skilfully applied, is almost always more successful than the direct method. An appeal to vanity, to sound judgment, and intimation that the idea of the purchase was formulated in the mind of the prospect, are all valuable in utilizing this method. Its direct application to life insurance consists in the principle of merely presenting ideas, never urging action. Do not sell life insurance. Permit the prospect to buy. He is always better satisfied and thinks more kindly of you if he believes that it was his judgment that effected the consummation of the sale."

"Contrary to the theories of many successful producers, I am of the opinion that the close is relatively unimportant and that very little attention should be paid to it. The all-important factor, (CONTINUED ON PAGE 9)

Van Schaick Frowns on Easing Investment Law

NEW YORK, March 18.—Agents were urged to stand on guard against liberalization of the life company investment laws that offer danger of reducing margins of safety, by G. S. Van Schaick in his address before the New York sales congress. Mr. Van Schaick is vice-president of the New York Life and former New York insurance superintendent.

The speaker said he was not condemning the bills sponsored by Superintendent Pink to increase the types of securities which companies might purchase, but he warned that if the law is altered once, it may later be further liberalized until the cumulative change may be radical.

Wisdom of the Policy

"The wisdom of the investment policy of New York," Mr. Van Schaick said, "was clearly shown during the depression. If life insurance withstood the ravages of panic years better than any other of our financial institutions, fundamentally this was due to wise legislative policy prescribing for life companies non-speculative investments of conservative character."

"The vast sums of money entrusted to a life insurance company must be put to work. Not only are policyholders entitled to the advantage which comes from interest earnings but the social significance of such large sums available for public and private financing is great. The type of investment however must be of the highest. There is no place for speculation with life insurance assets. They are in the nature of trust funds."

"The investment provision of the New York statute is of such importance and has played so vital a part in company stability that contemplated changes therein are usually approached with the care and consideration incident to a constitutional change. It is traditional that any tampering therewith should be viewed with apprehension lest in some way the high standards as to life insurance investments may be lowered."

"Nevertheless it is always well to re-

view statutory limitations of any sort in the light of changed or changing conditions. At present the life insurance companies have a difficult problem in finding an outlet for their funds. When investments are sparse it means considerable loss of investment income."

"Superintendent Pink has recently suggested to the legislature that there may be additional types of investment available for life companies thoroughly consistent with the high character of safety which the public policy of New York demands."

"It is highly desirable that this question be investigated with painstaking care. The danger, of course, lies in the possibility of lowering standards of safety for the purpose of additional income."

Price of Safety

"The price of safety may be the diminution of investment income. If the bars be let down a trifle at a time because the change seems small and trivial, the time may come when the cumulative effect of lowered standards may be serious."

Any tendency toward undue competition among companies for mortgage loans leading to unwise appraisals of value to obtain loans, is not in the policyholders' interest, the speaker went on to say. Much of the trouble of the mortgage companies during the past several years came from too optimistic appraisals brought about by competition for loans, he recalled.

"In prosperous and normal times when one is so far away from catastrophe as to think that unusual happenings will not recur," he asserted, "there comes an insistent demand from some people for less safeguards and cheaper insurance. Agents often participate in this by their insistence on larger dividends as a selling point. The fact remains that the greatest selling point for life insurance as conducted by the company represented, is the element of safety. As between safe insurance and cheap insurance there is no comparison."

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RFC Man Lauds Company Strength

Agent Has Highest Opportunity for Public Service, Says Merriam

DALE CARNEGIE SPEAKS

Outlines Methods He Uses in Making Men More Effective in Business

NEW YORK, March 18.—The highest praise for the institution of life insurance, as protection, as an investment and as a major factor in economic stability was voiced by C. B. Merriam, director Reconstruction Finance Corporation, at the fifty-first annual banquet of the New York City Life Underwriters Association. Mr. Merriam is a director of the Metropolitan Life.

The other speaker, Dale Carnegie, public speaking expert and author of the best seller "How to Win Friends and Influence People," told of the methods he uses in making men more effective in business relations. R. G. Engelsman, president New York association, was toastmaster.

Praises Agent's Role

Declaring that his hearers were very fortunate to be an important part of the great institution of life insurance, Mr. Merriam said:

"There is no higher opportunity for public service than that in which you are engaged. Life insurance is the mighty cable, binding hope to reality and life insurance is the only device I have discovered that links youth and old age, where thousands of people all over the nation are banded together for mutual helpfulness and have provided mutuality in its truest form, where it is

(CONTINUED ON PAGE 10)

SPEAKERS AT NEW YORK CITY SALES CONGRESS



G. S. VAN SCHAICK, New York
Vice-president New York Life



CARROLL C. DAY, Oklahoma City
General Agent Pacific Mutual



ALBERT E. N. GRAY, Newark
Assistant Secretary Prudential



LOUIS BEHR, Chicago
Agent Equitable of New York

Little Gem Big Aid in Program Work

New Features in '37 Model Equip Agent to Fashion Insurance Estate

BOOK SOON AVAILABLE

National Underwriter Publication Includes Much Sales-Making Material—Easy-to-Read Type Used

Numerous new salesmaking illustrations will be among the prominent features of the new model Little Gem Life Chart for 1937 which will be off THE NATIONAL UNDERWRITER press shortly. In what might be called its programming section will be comprehensive information on income settlements and retirement values. These features of modern life insurance are especially valuable to agents as well as the prospect because they produce larger contracts that stay in force longer and hence mean more money for the agent.

These new Little Gem illustrations are so designed that, when used individually or in combination with each other, they form a basis on which the proper program for almost any conceivable situation may readily be built. Along with the settlement option material are other sales-making features, such as the new values inter-change table, and important social security facts and figures. With the new Little Gem, and knowing what is desirable for the prospect, the agent can readily determine the most effective plan, using the existing and other insurance, to accomplish what is wanted.

Fixed Income Illustrations

For instance, the new fixed income illustrations show how long any desired income of a fixed amount will last which is available for any given sum at 3, 3½, 3¾ or 4 percent interest. This option is used to guarantee a minimum income—for as long as it may last. These illustrations likewise emphasize how short a time many such incomes would last and the obvious need of making them last longer.

Incomes for fixed periods are for use when an income is needed until some definite future date, such as for a child who will not be self-supporting for 10, 15, or 20 years. In the Little Gem is shown the insurance or principal sum required to guarantee any income at 3 or 3½ percent for definite periods of from 1 to 20 years. Right with this is given the amounts needed to produce various deferred payments at definite future dates. These two showings are put together because they forcefully show how existing insurance plus some new insurance can be easily used to construct a family maintenance program. From these tables it is possible to make up any desired combination of monthly incomes, clean up or readjustment funds, and such deferred final payments as may be desired. And if one wishes to convert these deferred payments into incomes, it is then only necessary to refer to the table covering the desired plan. The life income and life annuity options where allowed (for the client's own retirement) are also treated in the new little gem," by the showing of exact figures for some 100 companies.

Interest Options

The interest option or trust fund illustrations of the new Little Gem show how much money (cash value or proceeds) is needed to produce an income from interest only. This is used in cases where the principal sum must be re-

(CONTINUED ON LAST PAGE)

National Association Plans Promotion for Linton Book

PROMINENT DISPLAYS SOUGHT

Viewed as Opportunity for Effective Blow at Gilbert and Sullivan Type of Detractor

NEW YORK, March 18.—The National Association of Life Underwriters is planning to give the most active and aggressive support to promoting the sale of "Life Insurance Speaks for Itself," the book in which President M. A. Linton of the Provident Mutual Life answers the attacks of such detractors as the Gilbert & Sullivan team. The book will be issued in April.

It is hoped that booksellers can be induced to display the book in their windows at least as prominently as the Gilberts' "Life Insurance: a Legal Racket." One angle is to have a special window display poster, which would be arresting yet dignified for use in store windows.

Aroused by Advertising

Quite a few life insurance men have been aroused by advertising in the book sections of the "New York Times" and "New York Herald Tribune." In these advertisements policyholders were urged not to pay another premium until they had read the Gilbert opus. The association has felt that it would be unwise to allow itself to be put on the defensive by these advertisements and by other tactics of Messrs. Gilbert and Sullivan, such as addressing meetings of business and professional men about the iniquities of life insurance as it is usually written. However, it is felt that the publication of Mr. Linton's book gives an opportunity for a positive approach which should be capitalized to the utmost.

No. 2 in Line



W. E. BIXBY, Kansas City, Mo.

W. E. Bixby, who becomes executive vice-president of the Kansas City Life, is a son-in-law of the late President J. B. Reynolds and has been connected with the company for some 13 or 14 years in various capacities. He was promoted from the office of assistant secretary.

Reitman Assistant Manager

The Colonial Life of Jersey City has promoted W. J. Reitman assistant manager in the Newark branch office. Mr. Reitman has had an outstanding record in production.

Pacific Mutual's Figures for 1936

Working Out Under Rehabilitation Plan Is Shown in Annual Report

CERTIFIED BY ACTUARY

Complete Balance Sheet Shows Greatly Strengthened Reserves in Accident Department

Balance sheet of the Pacific Mutual Life as of Dec. 31, prepared and certified to by Fackler & Breiby, consulting actuaries of New York, is made public this week. Admitted assets are \$224,653,061, capital \$1,000,000, corporate surplus \$2,509,313. If bonds were carried at market value, surpluses would be increased by \$3,189,351. Assets at the end of 1935 were \$215,561,220.

Life insurance in force totals \$639,693,833 (a gain of about \$3,000,000), of which \$412,625,307 is in the participating department and \$227,068,526 non-participating. New business paid for, including revivals and increases, was \$51,002,092 in 1936, of which \$35,998,786 was in the old company, consisting of \$7,124,501 participating and \$28,874,285, non-participating, and \$15,003,306 in the new company from July 22 to the end of the year, composed of \$2,805,110 participating and \$12,198,196 non-par.

Large Investment Reserves

Total investment reserves to cover possible losses and depreciation in value of real estate mortgage loans, collateral loans and securities was \$3,033,582, which the consulting actuaries stated were determined by careful investigation of possibilities of loss and should prove to be ample. The amount is in excess of the sum set up and approved by department examiners in the Dec. 31, 1935, statement. The history of surplus and earnings for the period July 22-Dec. 31, 1936, is shown in table A below. Net dividends paid or allocated to policyholders totaled \$653,153, after payment of which net increase in the participating life department surplus was from \$423,000 to \$977,000.

The report states, "Your attention is called particularly to the profit of \$126,900 in the accident and health department and \$54,123 in the non-participating life department, both of which, together with \$135,000—10 percent of the profits on old participating business—were transferred to the corporate surplus account in accordance with the provisions of the rehabilitation agreement. In the July 22, 1936, statement, the amount of \$191,945 was shown as 'reserve for cost of rehabilitation,' and in the above schedule as 'liability decreased, Dec. 31, 1936.'

Corporate Surplus Swelled

"As the entire rehabilitation cost incurred during the period was properly and equitably allocated between the participating life, the non-participating life and the accident and health departments, and provided out of current income, this item of \$191,945 was released into corporate surplus. This resulted in placing corporate surplus account at a figure of \$2,509,313—an increase of \$509,313 since the July 22, 1936, statement.

"Substantial economies in operation have played an important part in this showing. It should be borne in mind that these net surplus earnings of the several departments are after consideration—

(CONTINUED ON LAST PAGE)

Born January 27, 1837

And still living! In 1907, when she was 70½ years old, this venerable woman paid \$2,000 for an Annuity of \$235.60, payable in quarterly installments. In January of this year she had been a recipient for 30 years, the total thus far being \$7,068.

A remarkable record. First, the physical one of the century age. Then, as an example of the early and fundamental use of the Annuity,—the consideration paid at a time when old age could draw the largest possible income from it. A reminder, too, though not by itself conclusive, that women Annuitants live longer than male Annuitants. And, of course, one cannot refrain from the use of the old saw, "Annuitants Never Die!"

This Annuity was not large, but it should be remembered that in a variety of family circumstances the receipt of \$235.60 a year, when joined to the remainder of the family income, may span the distance between comfort and the edge of want.

THE PENN MUTUAL LIFE INSURANCE CO.

WM. H. KINGSLEY, President

Independence Square

PHILADELPHIA

Agency Executive Urges Actuaries to Watch Trends

FIGURES ONLY ONE FUNCTION

Johnson of Continental Assurance Sees Interpretation of Statement as Important Service

Actuaries are too prone to become involved in the mathematics of their posts and not to appreciate the great possibilities for usefulness in employing their figures to derive indications of trends that will serve to guide the management of life companies, L. L. Johnson, vice-president Continental Assurance, told the Chicago Actuarial Club at the March meeting. There is a better understanding of the mutual problems, he admitted, although in the past the agency, actuarial and underwriting departments did not always agree.

He said the tendency toward better cooperation has caused many actuaries to inquire what they could do to help the production end, but many have gained the impression what was wanted was for them to do agency department work. This is not correct, he said.

Interpreting of Statements

The way the actuaries best can help is to interpret for agency departments various phases of the actuaries' business, such as annual statements. These are a maze to the laymen and sometimes even are difficult for other actuaries to understand. They can, however, he said, be translated into salient facts for the executive and agency departments, showing where the company is going. The facts are all in the statements but are difficult to drag forth.

There are, for example, too many agents starving, Mr. Johnson said. All the actuaries know this. They have the figures showing commissions paid agents. It is a simple matter to ascertain the number of agents under contract and to calculate vital data which will serve as guides for management. They can determine average earnings, average amount of paid business per agent, average increase per agent, factors that should be quickly available in all companies. Many companies, he said, do not compute lapse ratios on a basis that the agency departments understand.

Quality Business Survey

There is much talk today of getting quality business, Mr. Johnson said, but he asked how it is possible to do this when a company does not know what is the quality of the business that it has been writing. The actuarial departments should calculate the average premium frequency, number of collections, unit of collections, etc.

Cost accounting, he said, is a science rarely to be found in life company head offices. The business is far behind general business in this respect, yet the rules of cost accounting have been laid down for many years. He said there are many companies that do not know precisely what is the cost of doing business. He feels there is a growing demand for such analysis, and unless the actuarial departments volunteer the information management will insist upon it.

Field Operation Margins

Work also is needed in determining general agents' margins. They are dependent upon the persistency of business, average unit per collection, premium frequency, etc. The Research Bureau in a study has shown that the cost to the general agent of collecting a \$7.50 quarterly premium is about 40 cents, he said, yet the general agent's collection fee on that sum at 2 percent is only 15 cents.

The real work of the actuarial department has only started when the annual

Goes to Spokane



PAUL D. STONE

Paul D. Stone, who has been district supervisor of the Mutual Benefit Life at Ashland, Ky., and now takes the general agency at Spokane, Wash., is returning to the theater of his former activity. He began his life insurance career as an agent in the Mutual Benefit Oregon agency in 1924.

Names Lovejoy, Agent Leader, as Commissioner in Maine

PORTLAND, ME., March 18.—C. Waldo Lovejoy, Republican of Rumford, has been nominated by Governor Barrows for Maine insurance commissioner. He will succeed Wilbur D. Spencer who was appointed in 1923. Mr. Lovejoy is secretary of the Maine Association of Insurance Agents and a member of the advisory board of the New England Associations of Insurance Agents. He is prominent in insurance circles. He has headed a large general insurance agency at Rumford. His appointment for a four year term doubtless will be confirmed by the governor's council.

Educational Work Pays

KANSAS CITY, March 18.—The average production of new agents of the Kansas City Life who were enrolled in the correspondence course was \$21,975 in 1936, according to Walter Cluff, educational director. The average production of new agents not enrolled in the correspondence course was \$4,303.

statement blank is filled in and filed with departments, Mr. Johnson said, yet the average company actuary, after two months' intensive work on the statement sits back with a sigh when it is concluded and feels that he has done his principal job of the year.

Many Actuaries Disagree

Ross E. Moyer, the new vice-president and actuary of the Continental Assurance, just elected a member of the club, attended. H. C. Reeder, actuary Country Life, presided as president. There was a discussion of Mr. Johnson's address, many disagreeing with him on his general theme that actuaries could not see the important trends in the business because of the figures with which they deal. The consensus was that it is the actuary in most companies who discerns trends early in their development and warns the management.

The annual meeting will be held in April. R. I. Booth, Travelers; W. O. Morris, North American Life, and W. M. Johnson, Central Life of Illinois, were named the nominating committee.

Motivation Called Vital Element in Agency Work

WOOD SPEAKS IN DETROIT

John Hancock Manager of Agencies Addresses Associated Life Organization of Detroit

Production is lower and agency turnover higher than it should be, J. H. Wood, manager of general agencies John Hancock Mutual, told the Associated Life General Agents & Managers of Detroit at the March meeting. President H. K. Schoch, Aetna Life, presided. Mr. Wood, introduced by C. A. Macauley, state agent John Hancock, talked on "The Core of Agency Management—Motivation."

Better supervision is needed, he said. Agents either don't know how to increase their production or don't want to do the things necessary to succeed. The first reason is an indictment of managers, and even the latter, partially an indictment of managers. It is up to managers to motivate their men.

Learn Wrong Work Habits

Many men have come into the life business from types of work in which they worked under bosses, he said, and they became accustomed to working this way. In life insurance, where they are largely free from direction, they find it hard to translate their desire to sell more insurance into immediate action. Few men have the self-discipline essential to top-notch work in life insurance, he said—probably less than one-half of 1 percent. Most agents need and would like to have more direction and guidance from general agents and supervisors. Making out a time control report for the supervisor is not sufficient.

The job of general agents and managers is to take average men and get better than average results from them. The best are but 15 percent better than the average.

Money Motive Insufficient

Men will not work hard for money alone; they require deeper motivation. The general agent must learn to divine his men's motives. Studying time control sheets sometimes helps; sometimes a confidential talk will bring out ambitions and suggest a lead for better motivation.

There is a work objective, too, Mr. Wood said. One agent wanted to sell at least one policy of every contract form shown in the rate book. By the time he had done so, he was in good production and well on the road to an insurance career. Another wanted to be the first quarter-million producer in his agency. He soon achieved his goal and then found he had developed the habit of hard work.

Another motive is pride in one's work. The goal itself is some urge, but additional motivation must be supplied. Taking wives into one's confidence is a great help. Personal notes of congratulation to men when they do a good piece of work often turn a mediocre agent into a successful one.

Hundahl Is Club President

Through an error in the home office, D. J. Hundahl of Tulsa, Okla., was not originally listed as president of the 1937 United Club of the United Benefit Life. He personally produced \$409,200 in new life business in 1936, and also wrote 929 health and accident applications, giving him membership in the 400 Club of the Mutual Benefit Health & Accident.

Roy A. Frick, Elgin, Ill., has stepped down from presidency of the United Club as a result and now is vice-president. He personally produced \$257,000 of new life business and wrote 542 health and accident applications.

Embry Agency Successful in Selling Business Men

In the five weeks Feb. 1-March 6, 166 agents of the A. M. Embry agency, Equitable Life of New York in Kansas City wrote \$5,569,000 on 1,495 applications, over a million more than was produced in the same period a year ago, but 4 applications less. The drive was in honor of Mr. Embry's birthday. Lee Wandling, Wichita manager, was in charge.

"We believe times are better," Mr. Wandling said. Consequently we tried to sell to agents the idea of calling on the same persons in the same occupations they called on before we started package selling to salaried people. The major amount of solicitation during the last three or four years has been among salaried groups. In the campaign we placed particular stress on returning to the small business man. We found just about what we thought we would. Men in this bracket of buyers are buying again. They have the money.

Cover Estate Shrinkage

"We found also that any one with an estate or with the prospect of having one is giving more attention to putting it in order in order to prevent its shrinkage from taxation. Their everyday lives and dealings are making such men increasingly more conscious of the tax hazard."

In western Kansas (the Hays district) the agency sold much business on the wheat prospects, which are good. Mr. Wandling said a large proportion of people there due to drought, dust storms and hard times haven't any life insurance.

Without exception, business in outlying rural areas was better this year than last. The entire territory showed a good increase, Mr. Wandling said, but the increase was more noticeable in sections depending largely on agriculture.

March 20 Mr. Embry will give a party to those who qualified in the campaign. March 1 was set aside to honor Mrs. Embry, the agents producing 169 applications for \$715,000 of business. A huge bouquet of roses will be presented to her at the party, each rose representing an application.

Kenneth Agarter was leader in apps with 45 for \$94,369. He is a new man just out of college who has been with the agency three months. A. B. Hemphill's St. Joseph unit lead with 276 apps for \$1,219,000.

Rice Succeeds Adams

Staton Rice is the new general agent of the Equitable of Iowa in Albany, N. Y. He succeeds Paul Adams, who is sent to Des Moines as assistant superintendent of agencies. Mr. Rice goes to Albany from Harrisburg, Pa., where he has been with the Equitable since 1922.

Honor A. A. Jekel

The agency force of the Reliable Life of St. Louis has designated April as Jekel month to pay tribute to A. A. Jekel, secretary-treasurer, who on April 22 will celebrate his 70th birthday and 25th anniversary with the company, of which he was one of the founders.

Life Insurance Men Are Called Sincere Idealists

WHEN you have the unforgettable experience of delivering your first death claim check you will know how important and how noble is the work you have done. It is not surprising that so many life insurance agents are sincere idealists doing good in a practical way—T. A. BUCKNER, Chairman of the Board New York Life.

Neslen Utah Commissioner; Smith Refuses Second Term

SALT LAKE CITY, March 18.—Because Commissioner Smith made it known that he did not desire to be re-appointed, Governor Blood has appointed C. C. Neslen insurance commissioner for a four-year term. Mr. Neslen has been prominent in Utah business and political affairs, but is not an insurance man. He was formerly with a big building and loan company, and later with the Federal Home Loan organization here. He is a former mayor of Salt Lake City and a former state senator.

Commissioner Smith, who has made a notable record as a public official, leaves office April 1. He plans to return to the insurance business but says his plans are still indefinite. He is considering a proposition that would take him out of the state. Before becoming commissioner he was Utah manager of the North American Accident.

Mr. Smith won especial praise as representative of the commissioners' association in the Pacific Mutual rehabilitation and also in squelching threatened fire rate wars in his state and for his stand on agency qualification. He is a member of the executive committee of the commissioners' association, chairman accident and health committee and member of several other committees.

C. N. Ottosen, deputy commissioner, is to be retained.

Plan Advertising Symposium

Karl Ljung of the Jefferson National Life of Greensboro, N. C., chairman of the southern round table of the Life Advertisers Association, is building up new stuff for the program of the meeting at Nashville, May 6-7. For instance, he is asking members to answer these two questions in order to get material for discussion:

Since Jan. 1, 1936—what have you developed in the way of sales promotion,

N. Y. First Deputy Takes Chicago Company Post



ROLLIN M. CLARK

Rollin M. Clark will shortly take up his new work at the head office of the Continental Casualty and Continental Assurance at Chicago. He will become assistant comptroller and next year will be appointed comptroller. He is now first deputy of the New York department.

publicity, advertising or conservation that you consider outstanding, and that has proved to be unusually helpful in its field?

Where are you weakest in your work along the line of sales promotion, advertising, publicity or conservation?

U. S. Chamber of Commerce Annual Meeting Features

The U. S. Chamber of Commerce has announced insurance features of its coming annual meeting which will be held at headquarters, Washington, D. C., April 26-29. April 27, an insurance round table conference will be held during which several subjects in the insurance field will be discussed. The Round Table will include an address by a life executive on "Investment Policies of Life Insurance Companies." An insurance commissioner of one of the leading states will discuss "Increasing Uniformity in State Supervision and Regulation of Insurance." An address dealing with "Recent Developments in Workmen's Compensation and Their Practical Effects" is scheduled.

Other features of the meeting of interest are the presentation of awards to the winners in the 1936 inter-chamber fire waste contest and the 1936 inter-chamber city health conservation contest and the inter-chamber rural health conservation contest. Eighteen awards will be presented in these contests. While all of the returns have not as yet been received, it is expected that at least 500 communities will have filed reports in the contests conducted by the insurance department of the chamber.

Kansas City Life Men Active

In some of the larger cities agents of the Kansas City Life produced considerable business on single premium life and endowment policies during the last four weeks because a material increase in rates was made going into effect March 15. Many of the agents eclipsed all records by the business they wrote.

Commissioner Blackall of Connecticut has appointed John Royston assistant superintendent of agents' licenses. Mr. Royston, who has been in the department for some time, succeeds Mrs. Elsie Pratt.

Futz Is Interested in Policyholders Meetings

EIGHTY-FOUR PA., March 18.—Joseph Futz, life underwriter extraordinary in this locality, was greatly interested in the Pittsburgh Life Underwriters Association arranging for a meeting for policyholders. In fact, the meeting was held this evening. Mr. Futz immediately got in touch with distinguished and well known life insurance men of Pittsburgh, stating that he had had numerous meetings of this nature in the social room of Emanuel Lutheran Church in this city, where he expounded the virtues of life insurance protection. He offered his services, declaring that he could give first hand information as to just what should be done at these policyholders' meetings. Mr. Futz urged that at gatherings of this kind where the public is invited there should be talks by those who have had real experience in dealing with people. The illustrious executives at Pittsburgh notified Mr. Futz that the program had been completed before they received his highly interesting letter. He was told that one of the masterful talks would be given by Roger B. Hull, who is managing director of the National Life Underwriters Association. Mr. Futz immediately got in touch with the celebrated eastern manager offering his services in the future where policyholders meetings are to be held. His honorarium, he states is \$50 a day and expenses.

Nebraska Institute Meeting

The Nebraska Insurance Institute held its March meeting at Lincoln, there being 44 members and guests. L. N. Parker of Chicago, president of the American Service Bureau, spoke on "Inspections and Underwriting Problems."



Founder's Hall, Girard College, Philadelphia

Stephen Girard

BENEFACTOR

The best known of Stephen Girard's achievements is Girard College in Philadelphia, for which he provided in his Will, giving complete instructions for its founding. A firm believer in the value of education, Girard's fondest hope was to establish a school for the care and teaching of "poor white orphan boys"—giving to those less fortunate than others the opportunity to acquire a sound education and instruction in the high principles of service and loyalty to fellowmen and country. Girard College, with a capacity of 1830 students, is unique in American education, combining as it does the ideal and the practical in training for orphan boys between the ages of six and eighteen. The spirit of this school embodies all that Girard held to be true and fine.

GIRARD LIFE

INSURANCE COMPANY OF PHILADELPHIA

Opposite Independence Hall

This advertisement is twelfth of a series

Cleveland Sales Congress Features Four Notables

CLEVELAND, March 18.—The Northeastern Ohio Sales Congress held here for one day was one of the most successful in the city. Approximately 800 persons from a large area attended. The program was an experiment concentrating on fewer speakers and eliminating a crammed schedule. The four speakers were authorities and discussed subjects of great current interest.

President William Hoover opened the meeting, introducing guests at the speakers table including officers of other associations in northern Ohio, federal representatives and others. Lloyd Hagerty, first vice-president, was chairman of the morning session, which was given over to social security. T. H. Eliot, general counsel Social Security Board, Washington, who handled a large volume of work in connection with the act, was introduced by former Senator M. C. Harrison, Cleveland. Mr. Eliot said 24 states had pension laws and when many found it difficult to meet obligations it was logical for the federal government to go to the rescue.

Social Security Official Discusses Scope of Act

Speaking on the reason for unemployment insurance and for taking the contribution of employers, he said that in some fields a few large corporations were in full control and laws of supply and demand did not work. When demand fell off, employers cut production instead of cutting prices and employees were thrown out of work. This is the reason for the tax on the employer. The burden will be sidestepped, he said, because employers will pass their tax to the consumer, which will mean general taxation.

The big controversy concerns the social security reserve account, which does not have to be 47 billions as many have been led to believe. The matter is up to Congress each year.

Helps to Keep Collective Roof from Caving in

There are two fundamental reasons for the social security act, he said, first being the plight of the individual American, and second, a long range reason which takes into account national problems of crime, disease, etc. There is an increasing group unable to work and with no money to pay out to keep local trade active. The purpose of the act, therefore, is not only to help out the individual but to keep the collective roof from caving in.

Mr. Eliot answered questions, stating his opinion that life insurance commissioned agents working for one company would be considered employees, would be taxed and would receive the security benefits.

At luncheon musical entertainment was provided by the Cleveland association orchestra.

Harold Johnson, second vice-president, was afternoon chairman, introducing Claris Adams, president Ohio

State Life, who spoke on "A Look Ahead."

Mr. Adams gave a resume of past conditions in the business, outlining basic policies which have always made for success. Today, he said, every department of insurance has its own forum where problems are discussed. Many years ago life companies were considered giants, yet all of them didn't have as much insurance in force as two or three of the larger today. Instead of a public threat, they are considered great stabilizing influences.

Three quarters of all the life insurance in the world is in the United States and Canada, he said, a factor of such magnitude that it constitutes an important line of defense against poverty. Even during the depression the public put relatively more money into life insurance. Nine successive presidents have testified to the social value of life insurance which now pays out 3½ billion dollars without question every year. During the depression 15 billions were paid out to meet needs of that time. No nation on earth could have provided for its people without the supplemental help of insurance. It is a free enterprise where the money is set aside by thrift for contingencies and for maintenance of dependents.

Feels Depression Brought Forth Best in Insurance

Mr. Adams advised that if the depression had not descended life insurance would have been weaker instead of stronger. He condemned some bad habits which the insurance fraternity fell into during prosperity days. There is no place for speculation in insurance, he said. The policies are promises to pay a given amount at a given time.

While agents have done a fine job they must not be complacent, Mr. Adams said. The trail was blazed by those who carried rate books in the old days and bucked tremendous resistance. Still, of all problems today, there are probably more in the field than anywhere else. The lapse record is bad and there must be more rigid selection of prospects. Companies are faced with low returns on investments and must work economies as never before. Under present records, the average company accumulates a deficit on each small policy it writes. It is not the intelligent man who is responsible for this but rather inefficient ones. This problem of waste must be tackled intelligently. There is an atmosphere of artificial economy today and a definite movement to force interest rates down.

Says Life Insurance and Social Security Same Thing

Any life insurance man believes in social security for that is what he sells, Mr. Adams said. The social security act does not create an estate; it is not mobile, and it takes care of only one social problem after age 65. The old idea of thrift produces the greatest of satisfaction and security. The man insured

Conviction of Former Commissioner Reversed

The conviction of Gustaf Lindquist, former insurance commissioner of Minnesota, for having had a part in the conspiracy to loot the Abraham Lincoln Life of Springfield, Ill., has been reversed by the Illinois appellate court.

The court based its decision on the fact that the grand jury which indicted Lindquist was selected in an illegal manner and that there was insufficient evidence against him.

Lindquist was made president of Abraham Lincoln after Joseph Baiata, an ex-convict, and the late Dave "Long Count" Barry got a foothold in the company by making a down payment of money that had been stolen with the aid of a clerk in the Amalgamated Trust & Savings Bank of Chicago.

LINDQUIST IS CONGRATULATED

ST. PAUL, March 18.—Messages of congratulation poured in on Gustaf Lindquist, when the Illinois supreme court set aside his conviction. Lindquist, who has been associated with a Minnesota firm pending the ruling of the high court, was in Washington, D. C., on business when the action was made known. Scores of friends in Minnesota and other parts of the country who have stood by him in his trouble, telephoned or telegraphed their congratulations.

is a stable force; he recommends capitalism to posterity; he believes in the sacred freedom of contract. Mr. Adams advised that the salvation of life companies lies in an authority divided among 48 states. No single authority can force certain securities upon them.

C. D. Friebohn, referee in bankruptcy, Cleveland, gave a humorous discussion of insurance. Failure of insurance men to adopt a professional name has hurt their prestige, he said.

Bankruptcy Referee Gives Slant on Life Problems

As a bankruptcy referee, he said, he often deals with debtors who had life policies. When such policies are payable to dependents they are not affected by bankruptcy. Creditors can secure nothing because of this exemption. However, the money may be paid to a relative who can give the money back to the bankrupt for a new start. Perhaps such exemptions should be limited.

Mr. Friebohn stated in his belief, 94 out of every 100 insurance agents are failures. They may hang on but they make no actual success.

V. B. Coffin, superintendent of agencies Connecticut Mutual Life, closed the congress with a talk on "Time to Get Excited." He said life insurance has made a wonderful record in the last 10 years but the people in the business are not as excited about it as they should be. They must fight on with the courage of their convictions.

He compared notes on meetings of ten years ago, five years ago, and 1937. Ten years ago the business was becoming so good there was danger of the field being swamped by men wanting to enter

Annuity Tax Holdings Are Adverse in Two States

IN IOWA, SOUTH DAKOTA

Northwestern Mutual Test Suit Lost in Iowa Supreme Court; Law Includes All Business

In the test suit brought by the Northwestern Mutual to determine whether the Iowa premium tax law applies to considerations paid for annuities, the supreme court of that state has handed down an opinion upholding the right of the state to collect such a tax. The supreme court decision reversed the opinion of the Polk county district court. Northwestern Mutual contended it was not liable for the premium tax on \$209,362 of considerations for annuities received prior to 1935.

The court declared that the phrase "doing business in Iowa" used in the premium tax law was sufficiently broad to include all business. The court stated the premium tax is a license tax assessed against foreign companies for the privilege of doing business in Iowa. The writing of annuities and the collecting of considerations for them is part of the company's business in Iowa and the company is liable to the same tax as applies to life insurance premiums.

Commissioner Dawson of South Dakota announces that the state legal department has given the opinion that annuity premiums are subject to the 2½ percent tax. According to the legal department, such premiums are taxable because they are received on business written by a life company pursuant to its authority to do business in South Dakota.

the business. Five years ago business was so hard to get that companies encouraged an additional force to improve it. Now they are beginning to eliminate men unfitted for the work.

The public is demanding more, and it is up to agents to be better salesmen, to give better service. Educational equipment is important, he said. He recommended C. L. U. studies.

Mr. Coffin said the selling side, too, is decidedly important, and he recommended low-pressure selling. But there must be enthusiasm and ideas. "It is time to get the hearse out again," he said, "to back it up to the prospect's door, but gently."

He discussed the social security act, saying the American public is sold on the idea, therefore it is wise for agents not to pick on the imperfections but to build it up instead. Criticism evokes hostility, the positive approach is better.

Agents must think again in terms of prosperity, he said. Sometimes the prospect is more prosperity-minded than the agent.

"Prospecting is not difficult," he said. "I like to feel it is merely making friends of people. And building prestige is merely putting yourself in a position of prominence by commendable service. There is nothing unpleasant about it. Selling is merely discussing problems with your prospects and trying to overcome those problems. When you enjoy the job it will make you work. There is no time control plan which will do this. The time control plan builds efficiency after you get that feeling of enjoyment. Get excited about earnings. Earnings in the life insurance business are limitless."

High tribute was paid to President Hoover, and to Ross Norris, chairman of the committee in charge of the congress.

Old Guard Association Report

The "Old Guard Association of the Prudential" now totals 24,030. There are 11 in the 50-year class and 33 in the 45-year class.

FIGURES FROM DECEMBER 31, 1936 STATEMENTS

| | Total Assets | Change in Assets | Surplus to Policyholders | New Bus. 1936 | Ins. in Force Dec. 31, 1936 | Change in Ins. in Force | Prem. Income 1936 | Total Income 1936 | Benefits Paid 1936 | Total Disburs. 1936 |
|---------------------|---------------|------------------|--------------------------|---------------|-----------------------------|-------------------------|-------------------|-------------------|--------------------|---------------------|
| American Life.... | 889,227 | +56,261 | 408,118 | 6,369,162 | 12,695,322 | +2,424,567 | 275,112 | 317,629 | 81,090 | 295,585 |
| Crown Life, Can.. | 27,192,879 | +3,523,761 | 1,586,577 | 33,458,614 | 170,268,583 | +13,278,901 | 6,140,055 | 7,858,727 | 2,364,088 | 4,695,689 |
| Fed. L. & C. Mich. | 922,963 | +84,371 | 601,609 | 311,000 | 706,437 | +217,472 | 15,621 | 17,692 | 3,589 | 699,166 |
| Indepen. Life, Md. | 456,505 | +109,846 | 103,572 | 3,334,791 | 5,911,710 | +357,171 | 188,130 | 216,499 | 26,467 | 134,470 |
| Hercules Life, Ill. | 33,365,614 | +3,181,001 | 995,445 | 5,149,458 | 133,981,138 | -5,205,613 | 2,811,744 | 6,850,991 | 2,808,583 | 4,578,747 |
| Nat. Mas. Prov., O. | 1,168,605 | +67,693 | 776,823 | ..... | ..... | ..... | 109,214 | 149,154 | 46,952 | 108,521 |
| Pioneer, Neb. | 591,916 | +32,063 | 350,350 | 23,031 | 875,182 | -30,481 | 19,451 | 141,315 | 2,970 | 103,472 |
| Prudential | 3,367,773,683 | +238,298,416 | 76,646,081 | 2,487,006,237 | 16,684,773,529 | +766,776,066 | 621,024,730 | 820,423,353 | 395,845,174 | 590,942,888 |
| Rio Gran. N., Tex. | 360,364 | +25,161 | 115,129 | 8,379,631 | 8,469,241 | +1,148,151 | 224,533 | 258,059 | 71,134 | 244,199 |
| FRATERNAL | | | | | | | | | | |
| Ind. O. For., Can. | 44,955,998 | +496,962 | 2,176,215 | 11,245,449 | 117,619,359 | ..... | 2,868,630 | 5,519,076 | 3,779,814 | 5,332,158 |

¹Not including life \$5,628.

²Life only, A. & H. would increase total to \$878,579.

³Life only, A. & H. would increase total to \$784,546.

⁴Contingency reserve \$93,067,839.

At the Helm



T. P. BEASLEY, Dallas

Much interest is taken in the Republic National Life of Dallas, the consummation of a merger of the Public National Life of Little Rock and the Republic Life of Dallas. The big factor in the enterprise is T. P. Beasley, president and general manager. He was head of the Little Rock company and purchased the Dallas company in order to bring about the merger. It is a very aggressive institution.

Plan Commissioners' Meet

PHILADELPHIA, March 18.—The work of organizing the various committees to arrange the program for the annual convention of the National Association of Insurance Commissioners in Philadelphia June 21-23 has been started by John A. Stevenson, executive vice-president of the Penn Mutual Life, general convention chairman.

Dr. Stevenson announced the appointment of three associate general chairmen: S. J. Carr, resident vice-president Standard Accident; William Bishop, Peyton, Herkness & Bishop, and S. H. Schoch, secretary North America.

H. W. Teamer, secretary-manager of the Insurance Federation of Pennsylvania, has been named executive secretary of the convention committees.

Would be Seventh Largest Solely on Monthly Ordinary

METROPOLITAN'S BIG VOLUME

Ties in With Budget Habits of Many Buyers, Increasingly Conditioned to Installment Purchases

NEW YORK, March 18.—The extent of the field for monthly premium insurance is strikingly indicated by the fact that the monthly ordinary business of one company alone, the Metropolitan Life, would be sufficient to rank it among the top seven companies of the country on the basis of 1936 production. In addition, the company writes a large amount of monthly premium industrial business.

Nearly 85 percent of the monthly ordinary business is issued to the monthly premium debit, which includes all monthly ordinary business on which the premium is \$10 per policy or less.

Stress Monthly Idea

For some time the Metropolitan's department of field education and sales promotion has been stressing the monthly premium idea, believing that it is easier for many policyholders to get into the habit of paying 12 times a year rather than annually, semi-annually or quarterly. Also, it is felt that nearly everything that the consumer buys is purchased on the monthly basis—house rent, telephone, electric light, gas, grocery and department store charge accounts in the case of nearly everybody—while automobiles, radios, vacuum cleaners, refrigerators and many other products are purchased by an increasing number who like the idea of the monthly installment plan. The company's experience with monthly business, both ordinary and industrial, has been good on the persistency score. This is in line with the experience of other businesses that the installment buyer of articles which are properly sold is a good credit risk.

Membership Committee Named

W. L. Camp, III, membership chairman of the Life Advertisers Association and editor of the Connecticut Mutual, announces that the members of his committee are:

Eastern representative, R. B. Helser, Home Life; southern, Sam R. Hay, Jr.,

Great Southern Life; north central, A. S. Anderson, Equitable of Des Moines; western, E. L. Guttersten, California-Western States Life; Canadian, W. J. Cows, Mutual Life, Waterloo, Ont.

President C. C. Fleming, editor Life of Virginia, states that a definite announcement as to time and place for the next annual meeting will be made in the near future.

Push Rehabilitation Law

ST. PAUL, March 17.—Patterned after the New York law and embracing the uniform interstate liquidation plan endorsed by the National Association of Insurance Commissioners, a bill for rehabilitating weakened insurance companies is now before the Minnesota legislature. It was drafted by Commissioner Yetka who personally sponsored it at hearings and it has been reported out by both the senate and house committees. Because of the jam of legislation, however, Mr. Yetka fears that the bill

Sit-down Strike Has Been Declared by a Subscriber

HOLLAND, MICH., March 13. I did not receive this week's issue of THE NATIONAL UNDERWRITER. I hereby declare a sit-down strike till I receive this issue. On receipt of it after reading it from cover to cover, I will declare the strike off as this is not for increased pay but a loss in commission on account of delay. Thanking you for giving this your personal attention. I remain your 32-year subscriber.—W. J. Olive, General Agent Franklin Life.

may be lost in the shuffle. A somewhat similar bill failed two years ago.



A GOING CONCERN

That is a popular way of describing a paying enterprise.

But a business may be gone tomorrow, unless protected against the loss of able executives.

Partners can remove this hazard by using life insurance.

Any Prudential man will show you how this can be done.



The Prudential
Insurance Company of America
EDWARD D. DUFFIELD, President
Home Office - Newark, New Jersey

THE WEEK IN INSURANCE

Ruling of internal revenue bureau exempts from U. S. social security tax agents and employees of insurance companies becoming members of federal home loan bank system. **Page 1**

Downward trend in interest rates resulting from excessively high bond prices has come to an end, Prof. Marcus Nadler tells savings bank officials at New York City conference. **Page 1**

Nation-wide observance of 10th anniversary of American College of Life Underwriters and C. L. U. movement to be held March 22. **Page 3**

It is anticipated that there will be further increases in premium rates among life companies. **Page 1**

Extent of field for monthly premium insurance is strikingly indicated by volume written by Metropolitan Life, sufficient to rank it among top seven companies of the country. **Page 7**

Pacific Mutual Life balance sheet as of Dec. 31 shows progress made under rehabilitation plan. **Page 3**

T. J. Cullen becomes first deputy of the New York insurance department. **Page 10**

New York City Life Underwriters Association holds all-day sales congress and annual banquet. **Page 2**

Sell prestige, not insurance, says D. B. Fluegelman at New York sales congress. **Page 2**

Life insurance production recorded a gain in February, 1937, as compared with the same month a year ago, the Life Presidents report. **Page 1**

National Association of Life Underwriters plans to give active and aggressive support to promoting sale of "Life Insurance Speaks for Itself," by M. A. Linton, president Provident Mutual, which is shortly to be issued. **Page 3**

Hearing on proposed industrial life probe in New York brings lively talk. **Page 10**

Ray E. Fuller has been appointed acting superintendent of agencies of the Equitable Life of Iowa and Paul Adams, assistant superintendent. **Page 14**

Insurance Commissioner E. A. Smith of Utah leaves office and is succeeded by C. C. Neslen. **Page 5**

Four notables featured on program of Northeastern Ohio Sales Congress held in Cleveland. **Page 6**

Dwight A. Walker, second vice-president and associate actuary of the Equitable Life of New York, is dead. **Page 12**

Vice-president E. H. Brock of the John Hancock Mutual is celebrating his 50th year of service with the company. **Page 17**

Women Need Education

Their Great Share in U. S. Investments and Life Insurance Demands Informed Approach, N. Y. Sales Congress Told

Women are beneficiaries of 80 percent of American life insurance, and therefore have a vital interest in legislation, governmental policies, economic tendencies that may affect the values of their protection, Cathrine Curtis, national director Women Investors in America, declared in a talk at the New York City sales congress this week.

She stressed the need for financial education of women policyholders and beneficiaries, and for greater recognition of women agents. Her subject was "Women and Insurance." In 1935 she took important part in defeating a tax bill in Congress containing a confiscatory inheritance tax clause and burdensome insurance tax provision.

Tells Women's Ownership

"If our government should fall our investments might have questionable value," she told the New York congress. "Just as we have seen the investments in other countries, because of change in government, be devalued or even destroyed. Women Investors in America made the first survey to determine women's ownership of America. The women own approximately 50 percent of the nation's corporate equities, including 48 percent of the railroad stocks and 44 percent of the utilities. Women held in their names 65 percent of the savings accounts and have title to approximately 40 percent of the real estate.

"Twenty-five percent of the country's jobs are held by women and to those women who work, I suggest they keep in mind that the recent social security legislation is in no way a substitute for insurance. This capital, regularly paid to government is, of course, administered by political management and government provides the individual with no guarantee or contract for faithful or judicious performance of its trust. The individual, in a crisis, is unable to go to any bank or lending agency to borrow money on this paid-in capital deposited with government.

Insurance Policy a Guaranty

"On the other hand, when one purchases insurance, he is given a contract which provides specific terms and guarantees performance. His funds are administered by specialized and expert business management. The benefits of this insurance can be arranged to meet individual needs rather than a set age limit. If a crisis develops and money is urgently needed, an insurance policy is accepted as collateral—the equivalent of a liquid asset—upon which money can be borrowed should occasion demand.

"How many women realize that their premiums, when paid in to the insurance company must be immediately invested in order to earn the maximum return on their investment? How many women have any comprehension or understanding of the type of investments their money is placed in. Do they know their money finds its way into farm mortgages, utility and railroad securities, municipal, state and government bonds?

Uninformed on Legislation

"How many women agents or policyholders realize how legislative programs affect the investments supporting their insurance—how mounting taxes affect directly or indirectly the earnings on their policies—how the reduced earning power of industry, real estate or government bonds affects their dividends?

"Surely if communism or socialism should supplant capitalism—women would be the group to suffer most by it. The utility industry was to a great extent financed through the savings of women and the increased demand for

electric power is substantially due to women's desire for more modern household equipment which lightens her house-keeping tasks. But how many women pay any attention to legislation or tax problems which have a direct bearing upon this particular industry or any other in which women have a substantial ownership?

Many Women Have Incomes

More and more women are going into business and are enjoying economic independence, as proven by a recent analysis we have made of the 1934 income tax figures which discloses that single women—who are not heads of families—filed 303,215 returns with an aggregate net income of \$1,295,313,000, showing an average yearly income of \$2,147.

"Single women who are the principal support of their families filed 171,173 returns—showing a total net income of \$381,862,000—or an average of \$2,226; 84,471 wives filed separate returns which showed an average income of \$5,587.

"There has never been a time in the history of our country when it was more necessary for our people to have a basic understanding of economic questions and they should be motivated by the impulse of self-protection. Once they are really informed, they cease to follow the hue and cry of the demagogue and the sophistries of the counterfeit economists. They are no longer in the defenseless group.

Need "Savings Promotion"

"In recent years we have been living through a period of 'spending promotion' and I believe one of the country's greatest needs today is a campaign of 'savings promotion'—for it is only through thrift and savings that capital is accumulated and when wisely invested provides that security all women hope will be theirs.

"I believe the insurance industry should market its product with the same sales-technique that has been successfully used by the motor industry, the dairy organizations and other groups—who are purveyors to women. Your insurance agents assembled here today are 'purveyors of protection' to women. Recognize your women's market—inform her of the quality of your wares—understand that women are the greatest sales group of the race.

"The insurance industry must learn the needs of modern women—their mental reasoning, their great desire for financial understanding and how as an industry it can serve women most effectively. In turn women must learn about the insurance industry—its services—its problems and what its future holds for them. My title should have been 'Wake Up and Learn.'"

Endorses J. W. Yates' Candidacy

The Los Angeles Life Insurance Managers Association of which W. T. Shepard of the Lincoln National Life is president has endorsed John W. Yates, manager of the Massachusetts Mutual in that city, as a candidate for trustee of the National Association of Life Underwriters. The managers are unanimously in favor of Mr. Yates, who is one of the prominent men in his city.

Travelers School Opens March 29

The next instruction class for agents at the Travelers life and accident school begins March 29. Within the last year 247 men have gone through in eight classes at the school. Each session lasts for four weeks. Admission is given to those who qualify and who are now agents or make application for agency representation.

Dies in Cincinnati



LAWRENCE C. WITTEN

L. C. Witten, 51, former Massachusetts Mutual general agent at Cincinnati nearly 20 years, died at a Cincinnati hospital Tuesday. He went to Cincinnati from Detroit in 1916, serving actively as general agent until May, 1935, when ill health obliged him to retire from active work. Later in the year, I. B. Jackson was appointed to succeed him.

Under Mr. Witten's supervision the Cincinnati agency became one of the company's leading agencies. He was painstaking and thorough in his methods, attracting to his agency men of a high type through his own ability.

In 1931 and 1932 he served as president of his company's general agents' association. He was active in civic affairs and was one of the original members of the charter movement in Cincinnati which made it known as one of the best governed cities in the country. Mr. Witten was a graduate of the law college of Washington & Lee University. Burial was in Lexington, Va.

Jaeger Gets Two Assistants

W. F. Winterble Director of Agents,
M. E. Lewis Superintendent,
Bankers Life of Iowa

The Bankers Life of Iowa has appointed two assistants to Vice-president Jaeger, who is head of the agency department. W. F. Winterble, superintendent of agencies, becomes director of agencies and M. E. Lewis, assistant superintendent of agents, is made superintendent. Thirty-two years ago, in March, 1905, Mr. Winterble's father, C. H. Winterble, became associated with the Bankers Life. W. F. started as a salesman in the Minneapolis agency 21 years ago. At one time he was agency manager at Madison, Wis., and became superintendent of agents in 1934.

Mr. Lewis started with the Bankers Life as an agent in Des Moines in May, 1924. In 1930 he became home office field representative with the title of regional supervisor. In 1931 he took charge of the Des Moines agency and in December of that year he was appointed assistant superintendent of agents.

Connor Agency Banquet

C. A. Connor, Davenport, Ia., general agent for the Provident Mutual Life, held an agency meeting followed by a banquet. Rev. A. G. Pearson, Moline, was the principal speaker. Thomas Hertzberg, Minneapolis manager, was a guest.

Suit Is Filed by Gentry to Contest Commissioner Ouster

LITTLE ROCK, ARK., March 18.—Litigation relative to the right of Commissioner Harrison or former Commissioner Gentry to the office of commissioner is apparently the chief aftermath to the 1937 session of the Arkansas legislature.

Mr. Gentry has filed a suit here challenging the validity of the legislative act by which the department of insurance was reorganized to accomplish his ouster. His principal contention is that the act made no fundamental changes in rules and regulations of the department and therefore was purely an ouster act.

Prior to his inauguration in January, Governor Bailey announced that Commissioner Harrison would be appointed. Mr. Gentry, however, declined to resign or leave office until the end of his scheduled six-year term in 1939. The ouster bill was passed at the administration's request.

The suit demands accounting of the salary received during Commissioner Harrison's tenure in office.

Must Post Bond in Georgia

A qualification bond law applying to life, casualty and indemnity companies has been passed in Georgia. The minimum deposit required is \$10,000 and the maximum imposed is \$25,000. Fire and marine companies have been required to post qualification bonds for some years.

Foreign companies with capital of \$500,000 or more will be required to make a deposit equalling 2 percent of their gross annual Georgia premiums up to the \$25,000 maximum. The \$10,000 minimum applies to all companies. Assured are given a preferred claim against the assets of companies in liquidation.

Cloninger Heads New District

L. R. Cloninger, with the Jefferson Standard Life several years as a personal producer at Wichita Falls, Tex., has been appointed district manager at Lubbock, Tex., a new district.

RECORDS

Monarch Life, Canada.—New paid business shows an increase for the year to date, of 27½ percent. The most substantial increases have been in Manitoba, Ontario and Quebec. In each of the past seven months, the company has shown a gain in new business.

United Benefit Life.—February submitted sales \$4,242,650, gain of \$1,355,150. E. B. Brink, Detroit, leading agency with \$518,500. A. S. Murray, New Mexico, leading producer with \$60,500 paid business.

Kansas City Life.—Increase of 12.72 percent in net issued business in January and February. In the first eight days of March written business was over \$2,250,000.

Continental Assurance.—New business production up 30 percent this year, showing steady increase by months, with 40 percent increase for first half of March. Terminations down 25 percent and lapses down 22 percent.

Massachusetts Mutual.—Reporting a \$4,985,175 gain in insurance in force for February, the company more than trebled the increase for the same month last year. The gain was the largest for any month since May, 1931. Terminations in February were approximately one-third less than in the same month a year ago.

A. P. Johnson, Great-West Life, Detroit.—February was the largest month for several years, with 98 applications for \$593,423, of which \$448,850 was placed.

"Sell Prestige, Not Insurance"

(CONTINUED FROM PAGE 2)

almost the only factor, is the approach. In the approach you either make or break the sale. If the approach is properly made, that intangible factor of prestige is developed in the mind of the prospect and, while you are talking, continues to grow and enlarge in his mind until such time as definite action is taken.

"This, of course, constitutes the close, which is almost always a natural, automatic conclusion to the proper approach. To clarify, let me state that if the approach is properly made, the close takes care of itself. Unfortunately, prospects do not usually buy because of logical arguments presented. They buy because of the confidence they have that the agent is properly advising them. After you have developed a clientele which has confidence in you, you are in the same position as a successful physician whose patients take his advice blindly, with perfect assurance that this advice is sound and for their benefit.

Sells Lives Rather Than Volume

"In developing my clientele I have always worked on the theory of selling lives rather than volume. Since I am a younger man I know that loyal clients are of much more value to me in the future than volume for any one year. I know if I have 100 clients between the ages of 25 and 35 who have bought \$5,000 or \$10,000 worth of insurance from me that of this number a certain small percentage will within the next 20 years buy \$100,000 or more, that another group will buy \$50,000 to \$100,000 and a third and larger group from \$35,000 to \$50,000.

"I realize that I will not sell all of this insurance that they buy within the next 20 years, but if I have sold them on the relationship of client and counselor I will be certain to get a reasonable portion of this business, which is all that any of us can hope for. In addition, each one of these 100 young men may become an important center of influence whereby I am enabled to contact and meet another group of young men who in turn will eventually become big buyers. I believe that developing the center of influence theory in making sales is the most important one for a young man to follow."

No "Canned" Talk

Mr. Fluegelman said that while he believes it is of tremendous importance that every agent knows his subject thoroughly, he does not use a prepared sales talk. No matter how well a canned sales talk is repeated, the prospect senses that the talk is canned and the agent thereby loses prestige, correspondingly diminishing his chances of making a sale, Mr. Fluegelman said.

Stressing the necessity of getting a good proportion of brand new prospects, the speaker said that one of the largest life companies recently studied the business turned in by an agent last year and found that 56 percent of it was written on prospects who had not been known to the agent longer than five years. This figure covered all business done by the company, including new and old agents.

Significance to Agent

"I wonder whether the significance of this is apparent to you," he said. "It means that 56 percent of the business you do five years from now will be done with prospects you do not know today, with prospects you have not even met. It is obvious then, that your biggest job for the next five years and for every five years is to find new prospects. This is a never-ending task.

"No matter how well established we think we are, it is necessary to be constantly finding new prospects, else our list will become ingrown. Your present list contains a number of men who will die, leave the city or become financially

undesirable as prospects or who will complete their insurance program as outlined by you and will no longer be prospects. Thus, your present list becomes less and less desirable. You must find some means of constantly adding to and supplementing it.

"I have found an ideal method for myself which is simplicity itself. I make it a point to see at least four new people every week. By new I mean people that I have never contacted before. This is merely a minimum requirement. There is naturally no maximum. No matter how busy I am, I make certain to see these four new people every week, whether they are referred prospects, old schoolmates of mine, or simply people I have obtained from some list or other.

"It does not make any difference where you get the names, the important thing is to see the new people, for a certain proportion of them will become policyholders and clients and they in turn will refer you to other new names. Although the practice of constantly seeking and calling on new people may be objectionable to you, particularly after you have built up what you consider to be a sound and well rounded clientele, it is important to remember that a certain amount of tedious detail is necessary in every business.

Word of Caution

"Our detail work consists in constantly finding these new people. A word of caution is in order. It is of no avail to call on these new people unless you remember and realize that the importance of the call consists in fortifying the intangible factor. Concentrate on building up yourself rather than presenting involved actuarial calculations that even you, yourself, may have trouble in comprehending.

"The advantage of developing prestige is twofold. It increases the number of calls that an underwriter can make and in addition increases the quality of each call. It is obvious that as prestige is attained, more and more recommendations will be made by satisfied clients, which will tend to soundly build a clientele so that the underwriter will never feel that bane of the business—running out of prospects. In addition, since each call tends to be made on a professional basis, the quality of the call is such that an opportunity exists to work

Maroney's 25th Year in Business Is Celebrated

Sam Maroney, who gave up a \$250 a month job to sell life insurance, has just completed 25 years in the service of Great Southern Life. On that occasion, he was the honor guest at a banquet attended by home office officials and his associates in the Houston city agency. Sam R. Hay, Jr., director of the agency, presided and introduced President E. P. Greenwood, who presented Mr. Maroney with a watch and chain.

Mr. Maroney was outside superintendent for a large lumber mill in east Texas. He had given some thought to the idea of entering life insurance work. He decided to make the change after he had been solicited by and purchased a policy from the man, whom he had succeeded as lumber mill superintendent. Some years later, Mr. Maroney met the man from whom he had purchased his first policy. Before they parted the tables had been turned and Mr. Maroney had sold this man a \$10,000 contract. Mr. Maroney operated in Livingston, Tex., until 1932 when he moved to Houston. He is a consistent producer although not a spectacular one. His renewals have never fallen below 68 percent and for the last 10 years have averaged 72.33 percent.

on that type of proposition that will lead to a large sale.

"It is no longer necessary to sell the institution of life insurance, but it is very necessary that we not only have complete knowledge of the business but that we maintain the proper attitude towards the ethics of the business and so conduct ourselves in the presence of our prospects that we are always fully able to sell ourselves."

Will Meet in Springfield, Mass.

The Association of Home Office Life Underwriters of Hartford and vicinity is planning to hold its next meeting in May, probably in Springfield, Mass. C. O. Fischer, vice-president Massachusetts Mutual Life, will be the principal speaker. Michael Marchese, manager medical department Massachusetts Mutual, will be chairman.

Parkinson Views Trends

BUFFALO N. Y., March 18.—Thomas I. Parkinson, president of the Equitable Life of New York, spoke at the Buffalo agency's dinner honoring C. B. Metzger, recently appointed manager.

Mr. Parkinson predicted that higher interest rates on long term investments are to be expected in the near future. Executives feel that 4 percent is a reasonable return, he said. The trend toward speculation is likely to make insurance selling much more difficult in the months to come, he asserted.

Fraternal Presidents Hold Confab on Social Security

A committee of five from the Presidents Section of the National Fraternal Congress met in Chicago this week to discuss the progress of the effort to secure exemption for fraternal solicitors from the U. S. social security tax. Three bills are pending in Congress to amend the act specifically exempting fraternal solicitors. These bills were filed by Senators Walsh, McNary and Sheppard.

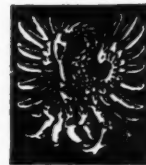
Herman L. Ekern, general counsel of the N. F. C. and president of the Lutheran Brotherhood, presided over the special social security committee. Others present were Mrs. Bina West Miller, Woman's Benefit, Port Huron, Mich.; De E. Bradshaw, Woodmen of the World, Omaha; H. C. Smale, National Union Assurance, and E. W. Thompson, Maccabees. Mrs. Dora Alexander Taley, Woodmen Circle, Omaha, also attended, and F. F. Farrell, executive secretary N. F. C.

Plans for the annual meeting to be held at Columbus, O., in August were discussed.

Names San Antonio General Agent

W. A. Gamble, who has been San Antonio, Tex., general agent of the Guarantee Life of Omaha the past two years, has been appointed San Antonio general agent of the American United Life.

★ MODERN LIFE INSURANCE SINCE 1845 ★



STATISTIC

A figure sleuth has discovered that the average length of service of Mutual Benefit men (excluding new men) who attended the 1936 Agents' Convention was something over thirteen years. An analysis of the "composite man" of this group shows that he began his service shortly after the post war depression, made "good money" during the boom, had to scratch like the dickens for his commissions during the Great Depression, and, still working hard, is getting better results for his efforts in 1936. His thirteen-year service record is at once a tribute to his ability and industry and to the Company with which he is associated.

The
MUTUAL BENEFIT

LIFE INSURANCE COMPANY • NEWARK • N. J. •

RFC Man Lauds Company Strength

(CONTINUED FROM PAGE 2)

possible for the strong to help the weak, the young to help the old, and everyone to share in the benefits of this union. "Over the years I have talked with many economists and I have talked with many business men about different investments and opportunities and neither from them nor from anyone else have I discovered anything half so good or sound or satisfying as my own life insurance experience, which has not only been available to me but to all other American citizens. My faith and belief in life insurance has been proven in a hundred ways.

Worth-While Heritage

"Every man with forethought and vision and sense of responsibility to his family can pass on to his descendants a heritage worth while. Some may hand down a family tree, others public fame, and still others great wealth, but the inheritance which I shall be able to hand down I discovered through life insurance. That is, by systematic savings, invested in life insurance premiums, I have provided an estate not possible to acquire in any other way."

The safety, security and management back of life insurance policies have proven during the past several years that the institution has stood impregnable, not only meeting every obligation without embarrassment, but contributing in many ways to overcome the depression and bring back normal times, Mr. Merriam said.

Life Companies' Assistance

"For four years now I have been connected with what has been called the largest financial institution of our government, namely, the Reconstruction Finance Corporation, and as great and helpful as that corporation has been to the people of our nation, figures show that the life companies have done more in the distribution of funds to policyholders and in the purchase of government securities than the entire lending and allocation of our Reconstruction Finance Corporation," Mr. Merriam said. "Please do not overlook the fact that, after all, the largest business in America, of which you are a part, contains 65,000,000 participants, and with sound assets in excess of \$25,000,000,000 at this time.

"In 1932, when conditions were the darkest, and nearly everyone was deeply concerned as to their possessions, I received a personal letter from one of my friends to ask me if I would write him in strict confidence as to the amount borrowed by life insurance companies from the Reconstruction Finance Corporation to help tide them over the turbulent years. My answer to this friend was, 'No. We have not loaned large sums to life companies but on the contrary have sometimes felt that we should borrow from the life companies, knowing full well of their soundness and liquidity.'

Less Than One Percent

"As a matter of fact, here is exactly what did take place: the Reconstruction Finance Corporation started business in 1932 and up to Jan. 1 of this year has loaned and made grants something in excess of between \$8,000,000,000 and \$9,000,000,000. Of that tremendous sum less than 1/40 of one percent of our total commitments was required by a very small number of life companies, and the amount unpaid at the present time is less than 1/40 of one percent of our lendings.

"During that period we loaned in excess of \$1,000,000,000 to receivers of closed national and state banks and over \$1,000,000,000 on preferred stocks and capital notes to open banks for additional capital purposes and over \$1,370,000,000 to aid agriculture and the stabilization of prices and the like, and some \$615,000,000 to railroads; \$130,000,000

was authorized for the refinancing of drainage, levee and irrigation districts, and so on up to the total of between \$8,000,000,000 and \$9,000,000,000.

"Beginning with 1932 and up to the present time, I found that the life insurance companies have paid out in cash to their policyholders, in one form or another, in excess of \$11,000,000,000 as compared to our \$8,000,000,000, and on Sept. 1 of last year, held government securities in excess of their holding in 1932 of nearly \$2,250,000,000.

"What happened was that life companies, after meeting every current obligation, not only disbursed to policyholders more than \$11,000,000,000, but bought of our government securities over \$2,000,000,000 in excess of their 1932 holdings.

Management "Clean and Wholesome"

"I want to go on record right now as saying that after these several years of trials and tribulations which have come into our business life, and when through it all the contracts of life companies have been fully met, the management of the life companies so clean and wholesome, and the confidence of the policyholders unshaken, that no business on this earth so important to mankind and so large in totals has come through with such clean hands.

"You underwriters, men and women in a great cause, can recount your blessings, review your work and predetermine for yourselves that your business and profession have been honestly represented by you and that the companies which you represent and the life policies which you have sold, both in times of peace and war, prosperity and adversity, still maintain their represented values."

Describes Own Program

Mr. Merriam told something about his own life insurance program, which amounts to over \$200,000, pointing out that every dollar he has paid in in cash premiums he could withdraw today in cash, and meanwhile his family has had the protection of the full amount of the face of the policies.

"Please bear in mind that for a cash outlay of \$130,000, I have a sound asset worth double that amount," he declared. "If there is any opportunity on this earth as good and satisfying as the above, I have never discovered it."

Louis Behr, leading agent of the Equitable of New York last year and originator of the "Behr Prospecting System" published by the "Diamond Life Bulletins," explained his methods at the sales congress. Mr. Behr has paid for about \$1,000,000 to date in 1937. The talk was about the same as the one that made such a hit at the last convention of the National Association of Life Underwriters.

Assistant Secretary A. E. N. Gray of the Prudential spoke on the need for overcoming fear of being unwelcome. He outlined ways to combat it.

Pointing out that fear of being unappreciated is one of the strongest motivating forces in human nature, he said the life man must subordinate this to his desire to convince the prospect of need for saving him from himself. The agent must realize that this will not always be appreciated at first.

Suggests One Answer

Mr. Gray said an appeal to the prospect's better emotions allows him to question the agent's fitness to appeal and also his motives. The agent can answer that it is as logical for a boy to criticize a teacher who is trying to make him study, on the ground that she is receiving pay for teaching.

Agents must not expect their road to be pleasant and easy, he declared. The life man must recognize the consequences of his selling efforts, which may be resentment or indifference on the

Hearing in N. Y. on Proposed Industrial Quiz Is Heated

PINK OPPOSES THE MOVE

C. G. Taylor of Metropolitan Champtions Institution—"Policyholders Representatives" Intemperate

ALBANY, March 18.—At the public hearing before the senate insurance committee on the resolution to investigate industrial life companies, Senator Livingston made some intemperate statements regarding such institutions.

Superintendent Pink explained that all of the information an investigation could adduce is contained in the annual reports of the companies. He declared it is possible some legislation might be necessary to correct some of the present practices in industrial insurance and that while an investigation might be conducted by the legislature, he did not believe it to be necessary.

He told how closely a corps of examiners is examining the Metropolitan seeking to find a way to correct some of the present shortcomings of the industrial business and how the company itself is constantly experimenting to make the industrial business more workable.

Various members of the committee continued to put stinging questions at the superintendent and finally when M. H. Siegel of New York City "representing industrial policyholders" asked the superintendent if the companies did not collect \$2,120 to return \$1,000 to the policyholder, and if he considered that efficient business, Senator O'Brien declared the hearing adjourned.

Taylor's Masterful Presentation

C. G. Taylor, Jr., of the Metropolitan made a masterful presentation for his company. He stressed the safeguards surrounding the policyholder under the New York law, he said his company would be ready and willing to join in any investigation that might be undertaken but that he did not believe an investigation would be in the interests of the policyholders.

He declared that nothing had been presented to justify an investigation of life companies.

F. L. Allen of the Mutual Life of New York declared that no reason had been shown for an investigation.

Senator Livingston argued that the charging of 6 percent interest on loans to policyholders is not in their interest.

Besides Siegel, "representing policyholders" were Julius Schapira, Charles Menonno and Harry Simon.

Ed. S. Moran, Brooklyn Democrat, injected himself into the hearing. After Harry Simon had referred to a book entitled "Life Insurance a Legalized Racket," Moran asked: "Do you feel that life insurance should be nationalized?"

"It will be unless the insurance companies do something soon," Simon replied.

Proponents of the resolution attempted to show that forced sales are being made to poor people who cannot afford the insurance, that industrial endowments are being sold in preference to straight life. One of the speakers wanted to abolish industrial insurance entirely and another wished it to be sold over the counter without any soliciting or collecting agents.

prospect's part. It is up to the agent to take the long view and regard these incidents as the price of success, which is cheaper than the price of failure.

In this connection the producer can decide which is worst—opinion of just one prospect, or opinion of people close to him if he fails. Mr. Gray concluded by pointing out the only way to develop courage is to exercise it.

Nation-Wide Observance of C. L. U. Movement March 22

(CONTINUED FROM PAGE 1)

C. L. U. The dinner will be open to all agents and their wives or guests.

Roy L. Davis, assistant insurance director of Illinois, will speak at a luncheon sponsored by the Davenport Association of Life Underwriters Monday noon. He is also scheduled as principal speaker at the Peoria C. L. U. dinner Monday evening. In addition to those having the C. L. U. designation, persons preparing for the June examination will attend.

Big Meeting in Boston

In Boston the C. L. U. chapter will hold a dinner at the University Club Monday evening. Prof. Philip Cabot, Harvard Graduate School of Business Administration, will be the principal speaker, on "Relation of Life Insurance to Economic Life." Representatives of the faculties and student bodies of colleges and universities in Greater Boston will be guests. P. F. Clark, C. L. U., past president National Association of Life Underwriters, will be toastmaster. Among guests will be Miss Corinne V. Loomis, C. L. U.; Mrs. Grace Morrison Poole, dean Stoneleigh college and past president General Federation of Women's Clubs; J. T. Atwood, president Boston Life Insurance & Trust Council; Manuel Camps, Jr., president Boston Life Underwriters Association; C. W. Wyeth, C. L. U., president Massachusetts Life Underwriters Association; S. D. Weismann, J. V. Gridley, Fitzhugh Traylor, G. P. Smith, and B. S. Collins, all holders of the C. L. U. degree.

Van Schaick Frowns Upon Easing of Investment Law

(CONTINUED FROM PAGE 2)

The insurance public demands and is entitled to safety above anything else."

He urged all to hold steadfastly to a policy that will permit companies to withstand any possible future depression with the same stamina with which the last was faced and met. He said no policyholder or agent can look back to the happenings of the last depression without feelings of profound gratification.

In referring to the life insurance moratorium of 1933, Mr. Van Schaick said it was but a temporary restriction. "It was modified in the interest of policyholders from time to time and entirely removed within a few months. The essential point now to remember is that such governmental restrictions and limitations would have been ineffectual and futile if the companies themselves had not been sound and stable to the core.

"Governmental and insurance supervisory officials played their part. They never could have saved unsound companies. The condition of the companies themselves is what brought them through the depression with such flying colors."

Believes in Writing All of Members of Family

G. S. Oates, who represents the Mutual Benefit Health & Accident and United Benefit Life of Omaha in the Farmington, N. M., district, has written \$1,000 life insurance policies on all 12 members of the J. B. Wethington family of Fruitland, N. M. To complete the transaction, he wrote a health and accident policy for the head of the family. On the same day he wrote the Wethington family, Mr. Oates also wrote life policies for all members of another family of 10.

No Slump in Bonds Due, Says Expert

(CONTINUED FROM PAGE 1)

necessary, the board of governors will undoubtedly adopt qualitative credit control to prevent the use of bank credit for speculative purposes without penalizing legitimate business."

Professor Nadler disagreed with the opinion of many investors during the past few weeks that high grade bonds, including government, are headed for a sharp break. Two arguments for this belief have been advanced, he said. The first is that an inflationary situation in this country is rapidly developing and that the board of governors, in order to prevent it, will adopt drastic credit measures, resulting in an increase in interest rates and a corresponding decline in bond prices. The second is that the volume of savings in this country is bound to decline just at the time when the demand for capital is increasing, and that this will bring about an increase in interest rates and a corresponding decline in bond prices.

Needn't Check Legitimate Credit

On the first point, Professor Nadler said that if speculation in securities with the aid of bank credit should develop, the board of governors could stop it immediately without interfering in any way with the legitimate flow of credit and without making credit dear for those who have a real need for it.

While it might be argued, he conceded, that if speculation in securities were restricted the banks might divert their speculative operations to commodities, over which the board has no control, he pointed out that the board could readily meet this, if it found that speculation in commodities was developing on a large scale, by demanding new powers from Congress to check the use of bank credit for the purpose of commodity speculation. This, he said, would be more desirable than to institute rigid credit control which would break the bond market and cause heavy losses to the banks.

Savings Drop Exaggerated

On the score of savings becoming lessened in the face of an increased demand for capital, Professor Nadler said there are three reasons for this belief, all of which he considered overrated. First, it is argued that the undistributed corporate surplus tax destroys the surplus of corporations as a source of new capital. However, even if the corporations should decide to pay out their earnings in dividends rather than holding them as surplus, the speaker said that "it stands to reason that a part of the dividends will find its way back to the capital market."

The second reason advanced is that various forms of surtaxes and graduated income taxes have greatly curbed the power of the wealthy to save. Yet heavy taxation for a country that has no foreign debts merely means a redistribution of the national income, Professor Nadler pointed out, saying that it may prevent over-expansion of industry and create a greater demand for consumption of goods. On the other hand, depressions and the collapse of values, including bonds, have almost always been caused by the over-expansion of capital goods.

Little Man's Savings

The third argument presented for the decline in savings is that the little man who keeps his money in savings deposits will no longer be able to accumulate to the same extent as he has in the past. Backers of this idea point out that before the sharp decrease in interest rates occurred, savings banks increased to between 4 and 4½ percent per year, representing the interest left on deposit. Today this has been cut to about 2 percent.

While this fact cannot be denied, Professor Nadler said, it must be realized that during the depression mortgage fi-

nancing has assumed an entirely different character. At present practically all newly created mortgages carry amortization provisions. According to the estimates of the National Industrial Conference Board, the total mortgage indebtedness in the United States at the end of 1935 amounted to \$36,000,000,000. Amortized at 2 percent per annum this amounts to about \$700,000,000. Even if cut in half, it would provide a sizeable sum in the hands of the mortgage lenders for new investments, Professor Nadler remarked.

A careful analysis of the probable trend of interest rates leads one to the conclusion that short-term rates should increase, long-term government should remain more or less unchanged, fluctuating within a narrow range; triple-A bonds should witness a decline in price, with a corresponding increase in yield, he said.

"After May 1, 1937, excess reserve balances of the member banks will be reduced to approximately \$500,000,000, but it is doubtful whether this amount will remain unchanged for any length of time," he said. "The continued increase in the volume of currency in circulation, the creation of deposits through the influx of gold and the possibility that loans may also increase, indicate that excess reserve balances may soon be liquidated. With the liquidation of excess reserves, short-term interest rates, which have shown the greatest decline, will rise because banks will be unwilling to invest their funds in credit instruments yielding them less than half of 1 percent."

Long-Term Governments

"Long-term government bonds may be considered in a class by themselves. In the first place, government bonds enjoy certain advantages over other high grade bonds. Secondly, the public debt of the federal government has in all probability reached its peak and from now on the amount of government obligations held by the public, including the banks, should decline, and this, coupled with the operation of the old age pension fund, should exercise a favorable influence on the long-term government bond market."

"As is well known, the funds accruing to the old age pension fund must be invested in bonds yielding 3 percent. Since such bonds are not available in the market, the government will issue 3 percent bonds to the fund and it is hoped that the proceeds will be used to repurchase maturing government obligations. The old age pension fund and the other funds accumulated by the government and which are invested in its securities will exercise a stabilizing influence on the government bond market. Furthermore, government securities today offer the greatest liquidity to banks because they are readily convertible into cash. In view of the fact that the holdings of eligible paper by the banks are relatively small, it may be expected that in the future banks will rely more and more on government securities for liquidity."

Corporate Issues to Decline

"Long-term corporate bonds have seen their peak and a further decline is almost inevitable. In the first place, prices of long-term government bonds have increased too rapidly, and therefore the discrepancy even today between long-term corporate bonds and long-term government bonds is not so great as it was during the more normal period from 1924 to 1927. Secondly, while it is to be expected that the supply of government bonds will decrease, a further increase in the supply of corporate securities is bound to take place as recovery in the heavy goods industries broadens. A slow decline of corporate bonds, however, does not mean a collapse of the bond market."

CONTESTS

In addition to volume of business Protective Life tries to make its contests help its agents reach other important objectives. They are rewarded according to the objectives attained.

Among these are:

1. Larger average size policies
2. Quality prospects
3. Settlement with application
4. Improved persistency record
5. More business on present policyholders
6. Annual premium business.

The agent benefits through increased income from both first year and renewals, time saved in delivery, and a widening circle of contacts among quality buyers.



The growth of the Massachusetts Mutual Life Insurance Company is a story of 85 years of increasing service. The ideal of the founders to make the Company particularly a policyholders' institution has always been closely adhered to, and throughout the country the name Massachusetts Mutual has become a synonym for quality and excellence in life insurance.

• • •

MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY

SPRINGFIELD, MASSACHUSETTS

Organized 1851

EDITORIAL COMMENT

Work of the American College

NEXT Monday will mark the 10th anniversary of the founding of the AMERICAN COLLEGE OF LIFE UNDERWRITERS which prepares the material and conducts the examination for the C.L.U. degree. This educational movement has taken on great proportions. Dr. S. S. HUEBNER of the UNIVERSITY OF PENNSYLVANIA is the president. E. A. Woods was in many ways its patron saint and State Agent E. J. CLARK of the JOHN HANCOCK MUTUAL at Baltimore was closely associated with the enterprise at its start and became its president following the death of Mr. Woods.

The practical use of the C. L. U. course has now been very well developed so that there are not the misunderstandings that accompanied it in its earlier days. It has adjusted itself to its rightful part in the business.

The C. L. U. course has found its proper place. In days gone by many agents seemed to feel that they could

not succeed in life insurance unless they had taken this course and obtained a C. L. U. degree. That spoiled a number of successful salesmen. Not all life insurance men have the capacity nor have they the mental slant that will enable them to take this course and use it to their advantage. Not all young people go to college. There are some agents who are eminently fitted for the C. L. U. They should pursue the study and get the degree. Others should not. The NATIONAL ASSOCIATION OF LIFE UNDERWRITERS deserves much credit for establishing the AMERICAN COLLEGE OF LIFE UNDERWRITERS in shaping its course. Dr. HUEBNER and Dean DAVID McCABAN have done yeoman service in preparing the courses and in looking after the educational features. There are now over 1,000 men and women who have won the right to the C. L. U. degree.

Comment of a Columnist

SOMETIMES the most imposing, convincing and forceful criticism of life insurance destructive agencies is made by one who is not in the business and whose writing may be somewhat crude in the effort to interpret the technical phases but it is impartial and sincere. Life insurance people have noted with amazement the sensational, uncalled for and vitriolic attacks on a great business by a so-called firm, Gilbert & SULLIVAN of Philadelphia. The partners in the enterprise, DAVID GILBERT and JAMES P. SULLIVAN, have injected themselves voluntarily into the arena by their vicious attacks on life insurance and their evident desire to be destructive in their methods.

They sent a copy of their book, "Frauds, Misrepresentations, Confiscations, Myster-

ies of Life Insurance" to a well known columnist, LEO WINGSHOT of the Philadelphia "Record." THE NATIONAL UNDERWRITER reprinted Mr. WINGSHOT's reflections and observations on this book in its issue of March 12. It made mighty good reading. It was a thorough going, sincere, common sense analysis of a prejudicial attempt to discredit life insurance. It will pay agents who come in contact with this notorious book to use this material to combat it because it is not written by a life insurance man. The natural inference would be that a newspaper writer might be misled by specious arguments. The final paragraph in the comment is, "I admit freely my prejudice against the present volume and my lack of belief in its conclusions."

Very Useful Working Book

PUBLISHERS, like railroads and all other enterprises, must keep abreast of the times or they fall way behind in the procession. The "Little Gem Life Chart," which is published by THE NATIONAL UNDERWRITER, is one of the standard life insurance statistical and information books. This year it is entirely reset in large type, this being the 35th

annual edition. A new page size has been brought into play. There are a number of features introduced, some have been modified. In fact, the book is now strictly up to date, a representative 1937 product. Agents who have carried the "Little Gem" will be proud of it and will get more out of it than ever.

Meetings for Policyholders

THE PITTSBURGH LIFE UNDERWRITERS ASSOCIATION inaugurated the custom of having a policyholders' meeting, arranging it for an evening which would be most convenient for a function of this kind. Agents

were asked to bring some of their chief policyholders as guests, others were accompanied by prospects. The whole atmosphere of the program was informative from the standpoint of the life insurance

purchaser. The object was to afford an opportunity for people to learn something about their life insurance and get some practical viewpoints. The association desired to present honest facts about life insurance.

There were a number of questions prepared, given to the officials of the association, they being the chief inquiries from

purchasers. The addresses and other features of the program were broadcast. The meeting was a big success. It is something that might well be followed in other points. There is nothing to hide in life insurance, it has given a splendid account of itself, those who are responsible for it are stewards of a great trust and they have done their best.

Rollin Clark's New Field

THOSE who have come in contact with First Deputy Insurance Superintendent ROLLIN M. CLARK of New York have found him a most resourceful, agreeable and intelligent young man. He has been the right hand man of Superintendent PINK and since he joined the New York department, going there from the "United States Daily" of Washington, D. C., where he conducted its insurance news department, he has

grown much in business stature and widened his viewpoint. Mr. CLARK has added much to the department organization and has given it a breadth of view and an experience that made him a valuable official. He enters now a more private line of work with the CONTINENTAL CASUALTY and CONTINENTAL ASSURANCE of Chicago, well equipped for the duties which he is now to assume.

PERSONAL SIDE OF BUSINESS

A. C. Larson, Madison, Wis., manager in southern Wisconsin for the Central Life of Iowa, is a past illustrious potentate for Zor Temple, instead of a past imperial potentate as was stated in a recent issue.

William J. Van Beynum, son of C. W. Van Beynum of Hartford, publicity and advertising manager of the Travelers, is going to New York with the company in its 42nd street branch. He is a graduate of Connecticut State College.

F. R. Davenport, agency secretary Old Line Life of America, recently observed his 24th anniversary with the company. He started as a special agent in Milwaukee.

H. S. Haskins, Iowa state agent John Hancock Mutual Life, has been elected president of the new Des Moines Council of Civic Clubs. Other officers include W. B. Strief, general agent Equitable Life of Iowa, vice-president; B. H. Gross, secretary-treasurer Great Western, secretary; Percy Potter, general agent Mutual Benefit Life, director.

S. S. Northington, Los Angeles general agent Connecticut Mutual Life, who for the past year has been recuperating from a surgical operation undergone in February, 1936, has now fully recovered his health and is again actively on the job.

Mrs. Lucy Bryson, mother of **George T. Bryson**, assistant superintendent of agencies of the Sun Life of Canada, died at her home at Boynton, Va., following an illness of several weeks.

A. B. Olson, vice-president and agency director Guarantee Mutual Life, is making a tour of Arkansas, Oklahoma and Texas agencies.

D. A. Walker, 60, second vice-president and associate actuary of the Equitable Life of New York, was found dead in his apartment in Brooklyn, Monday. The police said that a jet in a gas stove was open. He was a bachelor, born in 1882 in Ontario and educated at the University of Toronto. He entered the

actuarial department of the Equitable on graduating in 1904. He was made assistant actuary in 1911, associate actuary in 1919 and second vice-president and associate actuary in 1930.

George W. Smith, president of the New England Mutual, is in the midst of a Central American trip. He plans to return about March 29.

Eli Glass, general agent United Life & Accident in Hartford, gave a dinner for Joseph Rudy, an agent of the company there. It was Mr. Rudy's 50th birthday and marked 17 years' service with the United Life. Mr. Glass presented him a gold watch.

F. E. O'Brien, assistant agency superintendent of the Fidelity & Casualty, left New York this week on a five weeks agency trip that will take him as far as the Pacific Coast.

G. F. Dieterle, vice-president Ohio National Life, and **George Puchta**, a director, stopped in Los Angeles for a visit with **E. C. Wills**, superintendent of agencies southwest division, the first lap of a trip to Manila, Japan and China.

L. O. Schriver, general agent Aetna Life, Peoria, Ill., and former president National Association of Life Underwriters, occupied the pulpit of the First Central Congregational Church of Omaha during his visit there. Mr. Schriver formerly was in the ministry and has preached in churches in all parts of the United States and Canada. About 250 Omaha insurance men heard his address before the chamber of commerce insurance division.

J. W. Kirksey, 55, vice-president Provident Life & Accident, Chattanooga, died after several weeks' illness.

He was nationally known. Mr. Kirksey joined the Provident L. & A. as cashier in 1909, subsequently being appointed field manager of agents. In 1919 he returned to the home office as assistant treasurer and in 1921 was made manager of what is now the group department. At the same time



THE NATIONAL UNDERWRITER

Published by THE NATIONAL UNDERWRITER CO., Chicago, Cincinnati, New York. PUBLICATION OFFICE, 175 W. Jackson Blvd., CHICAGO, Wabash 2704

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Subscription Price \$5.00 a year in United States and Canada. Single Copies, 15 cents. In Combination with The National Underwriter June 9, 1900, at Post Office at Chicago, Ill., Under Act, March 3, 1879.

he was elected vice-president and a director.

J. W. Kirksey, Jr., assistant in the home office and E. L. Kirksey, manager group department's southeastern division headquarters, Charlotte, N. C., are sons.

C. W. Halfhill, Mercer, O., member of the Lima agency Ohio State Life, observed the 20th anniversary of joining the organization. Mr. Halfhill, a director, lives in a town of about 300 persons and has written all his business in a country district. He has written many families 100 percent. He has been a member of the Honor Clubs since he joined.

E. T. Pape, a field veteran of the Prudential, who retired in 1926, died in his home at Utica, N. Y., at the age of 83. He was a native of England. He went with the Prudential in Orange, N. J., in 1887, won advancement and served in different places. He served as superintendent of the Utica district from 1907 until his retirement. Before that he had been superintendent of Chicago No. 1 and at that time was one of the Prudential leaders.

Ralph Gunst, general agent at Tucson, Ariz., of the General American Life and a prominent citizen of that place, died at the age of 76. A son, Jacob Gunst and a daughter, Miss Marie Gunst, are connected with the agency. He represented the Union Central before making a connection with the Missouri State-General American. His first experience in the business was in Denver and Albuquerque in 1910-11 where he represented the Northwestern Mutual. He was active in Democratic politics and in civic affairs.

Walter Stabler, for many years controller at the head office of the Metropolitan Life, who was one of the leading authorities in New York City on real estate investments and trends, died at his home at Manhasset, N. Y., Monday night. He was 86 years old.

J. W. Rivers of San Francisco, manager of the Union Central Life, was in Chicago this week enroute to Cincinnati to confer with the home office.

H. J. Cummings, vice-president in charge of agencies Minnesota Mutual Life, is visiting Texas general agencies at Fort Worth, Dallas, and San Antonio, and is holding conferences.

In the bulletin issued by O. Sam Cummings of Dallas, state manager for the Kansas City Life, it is revealed that the new president, D. T. Torrens, a few years ago was offered a lucrative position by two large eastern companies to take a prominent part in their investment department. Mr. Torrens, however, decided to cast his lot with the Kansas City Life and remain with his old friend, the late J. B. Reynolds.

W. H. Pierson, attached to the A. F. Gillis agency in Newark, N. J., rounded out 50 years of continuous service with the Provident Mutual Life, March 15, and is believed to be the oldest active agent of the company. Mr. Pierson has served under three general agents, all in northern New Jersey. He is in his 80th year. The Gillis agency force plans to tender him a luncheon very shortly.

C. F. Medaris, 65, member of the Union Central Life investment committee and until recently manager of the company's northeast financial district, died in Cincinnati from a heart attack. He was stricken in his office and a second attack proved fatal before he reached his home. Mr. Medaris had been with the company 40 years. He was a native of Owensville, O.

Mrs. Dora Ashby Lovelace, 84, mother of Griffin M. Lovelace, vice-president New York Life, died at the home of her

Honor the Chief



C. C. FERGUSON, Winnipeg

During March, agents of the Great-West Life of Winnipeg will pay honor to General Manager C. C. Ferguson, who has been disabled for a number of weeks but is now taking an interest in the business. As Assistant General Manager H. W. Manning says, "The good news of Mr. Ferguson's recovery coming after a period of considerable concern naturally prompts a desire to express our regard and our gratefulness. Coming, too, at a time when Mr. Ferguson is again assuming an interest in the progress of the business it will afford him genuine stimulation."

B. M. A. Installs Insurance Library in the Home Office

The Business Men's Assurance has installed an insurance library, long an unfulfilled desire of President W. T. Grant. It is on the tenth floor of the home office in a large room adjoining the sales department and training division where sales training courses are prepared and bulletins issued. Miss D. Baker, assistant secretary, is in charge. Miss Elsie Vogt of the Library Bureau, Chicago, assisted for several weeks in installing the B.M.A. unit.

Reference books are included on life insurance, medicine, psychology, banking, actuarial science, economics, salesmanship, etc. Provision has been made to purchase additional books. The nucleus is books found in various departments, 750 in all, with 250 proceedings and pamphlets.

Program for Gough Dinner

W. B. Clarkson, Newark manager of the Travelers, will be toastmaster at the testimonial dinner in New York, April 8, for C. A. Gough, deputy commissioner of New Jersey. The dinner is sponsored by the Casualty Underwriters Association of New Jersey in cooperation with other insurance interests of that state.

Speakers will be Harry Heher, supreme court justice of New Jersey; Commissioner Withers of New Jersey, Superintendent Pink of New York, Governor Hoffman of New Jersey and Alfred Hurrell, vice-president Prudential.

Members of the general committee of company executives which is in charge of the dinner will be guests of honor.

daughter, Mrs. W. W. Crawford, in Louisville. Mrs. Lovelace was the widow of Dr. S. H. Lovelace, pastor of several Methodist churches in Louisville.

AMERICAN NATIONAL INSURANCE COMPANY

Galveston, Texas

W. L. Moody, Jr., President

Growth of Company

| | |
|--------------------------|-----------------|
| GROSS INCOME | \$18,601,158.53 |
| Increase over 1935 | \$2,615,728.45 |
| PREMIUM INCOME | 14,929,025.31 |
| Increase over 1935 | \$1,734,226.33 |
| ASSETS | 61,643,688.50 |
| Increase over 1935 | \$5,316,820.13 |
| INSURANCE IN FORCE | 611,066,983.00 |
| Increase over 1935 | \$56,738,251.00 |
| CAPITAL | 2,000,000.00 |
| SURPLUS | 8,132,431.63 |
| Increase over 1935 | \$1,059,520.07 |

Operating from Coast to Coast, from the Great Lakes to the Gulf, in Cuba, Puerto Rico and the Hawaiian Islands.

GOOD TERRITORY STILL AVAILABLE

AN ANNOUNCEMENT

THE Public National Life Insurance Company of Little Rock, Arkansas, and the Republic Life Insurance Company of Dallas have been combined to operate under the name of the Republic National Life Insurance Company of Dallas.

The Company has insurance in force of more than \$17,500,000.00. A full program of legal reserve life insurance protection will be offered, with all policies registered with the Insurance Commissioner of the State of Texas.

The Company plans extensive development and agency expansion in Texas, Oklahoma and Arkansas. Correspondence invited.

REPUBLIC NATIONAL LIFE INSURANCE COMPANY

Home Office: Jefferson & Bishop

DALLAS, TEXAS

THEO. P. BEASLEY
President & General Manager

C. E. HASTING
Secretary-Treasurer

O. L. BURGER
Vice President

THOS. H. GALBRAITH
Vice President

O. R. McATEE
Director of Agencies

THE GUARDIAN LIFE INSURANCE COMPANY OF AMERICA

NEW YORK CITY

A MUTUAL COMPANY
ESTABLISHED 1860



GUARDIAN OF AMERICAN
FAMILIES FOR 77 YEARS

1937 Golden Jubilee Year 1937

PROVIDENT begins the 50th Anniversary Year with these noteworthy gains registered for 1936:

- 25 per cent gain in Life Insurance in Force—\$19,405,854.00.
- 18 percent gain in premium income—\$1,005,127.33.
- 16 percent gain in total assets—\$1,145,455.72.
- 13 percent gain in total surplus to protect policyholders—\$274,819.18.

PROVIDENT LIFE and ACCIDENT
INSURANCE COMPANY
CHATTANOOGA, TENNESSEE

NEWS OF THE COMPANIES

Made Acting Superintendent

Equitable Life of Iowa Bolsters Up Its Production Department Due to Swisher's Illness

Ray E. Fuller has been appointed acting superintendent of agencies of the Equitable Life of Iowa owing to the continued illness of S. A. Swisher. It is expected that Mr. Swisher will be able to return to his desk sometime during the summer. He will have to remain in a mild climate for some weeks. Mr. Fuller is a graduate of the University of Iowa. When he joined the Equitable he became special representative and later served as agency supervisor in the Detroit office. Since 1925 he has been a member of the home office staff, first as field supervisor and later as assistant superintendent of agencies.

Paul Adams, general agent at Albany, has been called to the home office as assistant superintendent of agencies.

Mr. Swisher is at Hot Springs, Ark., recuperating. Some two years ago he had a serious attack of pneumonia and it left him in a rather debilitated state. Last fall he suffered a different sort of attack, supposedly due to overwork. He seems now to be recovering in fairly good shape and his associates expect him to get back some time in July.

Matthews Seeks Clearing His Record in Litigation

President Matthews of the Cosmopolitan Old Line Life, Lincoln, Neb., asked district court there to find that the \$191,300 judgment entered some months ago against him and the company in favor of thrift policyholders has been fully satisfied and that it be released of record. His attorneys claim it was a joint judgment, and when the insurance director, acting for the company, agreed with the plaintiffs that upon the payment by it of \$84,050 into the cumulative endowment fund, the company should have been deemed to have complied with the judgment. That was done, the director withdrew his motion for a new trial on behalf of the company and attorney fee allowed. This action, it is alleged amounted to a complete satisfaction of the judgment, and thereby released Matthews, who was a co-defendant and jointly held liable under that judgment.

J. S. Logan, attorney for the director, said this phase had been fully discussed with counsel for thrift certificate holders, and all attorneys were agreed satisfaction that would release the company would not release Matthews, the causes of action being different. Action against Matthews was for recovery for diversion of funds and against the company for return to the thrift cumulative fund of money from general fund.

Motion of the Nebraska department to reduce the \$12,000 fee allowed the attorney for thrift policyholders who secured a \$191,300 judgment against the Cosmopolitan Old Line Life and President Matthews was denied in district court and notice of appeal to the supreme court was filed.

Helser Conviction Upheld

DENVER, March 18.—The Colorado supreme court has upheld the convictions, on counts of conspiracy, of C. W. Helser, former president of the American Life of Denver, and N. J. O'Hanlon, former vice-president.

Helser was found guilty on two counts of conspiracy, one embezzlement and the other alleging larceny as bailee. O'Hanlon was convicted only on the latter count. Penitentiary sentences of five to seven years for Helser and three to five years for O'Hanlon are pending.

A. R. Seebass, Jr., secretary-treasurer, was found not guilty.

Motions for rehearing will be filed. Helser is reported at liberty on bond in New York state. O'Hanlon is out on bail in Denver.

Chappell in Agency Work

E. E. Chappell, who becomes assistant agency superintendent at the head office of the Kansas City Life, started with the New York Life as an agent and later became agency organizer. Subsequently he was appointed associate general agent for the Northwestern National Life in South Dakota. He began his career with the Kansas City Life in 1926 with the J. T. Allen Agency in Colorado. Four years later he became regional supervisor for Florida, later taking over Alabama and north Georgia with headquarters at Birmingham.

G. S. McCarter Promoted

G. S. McCarter, for several years agency supervisor ordinary department American National with headquarters in Birmingham, has been promoted to superintendent of agencies ordinary department, western division, with headquarters in Galveston. He was for a number of years a successful personal producer for the Aetna Life and then associate to general agent.

Hugh Watson Promoted

Hugh Watson, formerly agency superintendent of the Southern Standard Life of Houston, has been made vice-president and agency director. He also was elected to the board. He has been connected with the company since it started, first, as an agent, then as general agent, branch manager and agency superintendent. He is one of the active men in Methodist Church circles of his city.

Ministers Protective Taken Over

Assets of the Ministers Protective of Meadville, Pa., have been taken over by the Allegheny Mutual, also of Meadville, organized last year. The merger has been approved by the Pennsylvania department.

The Ministers Protective wrote accident and health and annuities on ministers. The Allegheny Mutual will not write annuities. Refunds are being made to subscribers of the Ministers Protective.

Form Farm Bureau Life

Incorporation papers for the Farm Bureau Life of Indianapolis have been filed. Hassil Schenk is president; Everett Jeanes, secretary; Larry Brandon, treasurer, and Haight, Davis & Haight, actuaries. Its purpose is to tie in with the Indiana Farm Bureau. It will operate on the mutual plan and will write whole life, participating policies in the charter campaign. It will be licensed only in Indiana.

Ohio National in D. of C.

CINCINNATI, March 18.—The Ohio National Life has entered the District of Columbia and will shortly open an office in Washington.

Commissioner Yetka Investigates

LOS ANGELES, March 18.—Commissioner Frank Yetka of Minnesota is in the city in conference with officials of the Pacific Mutual Life. Examiners from the Minnesota department have been here for some time. Commissioner Yetka has refused to license the new Pacific Mutual and took a decided stand against some phases of the convention report at the mid-year meeting at Hot Springs, Ark. However, it is thought that after he thoroughly understands the situation and his examiners have had an opportunity to delve into the internals he may decide to issue a license.

LIFE SALES MEETINGS

Federal Life Clubs Gather

Managers Association Is Organized at Agents' Convention Held in Daytona Beach, Fla.

A managers association of the Federal Life was formed at the Daytona Beach, Fla., annual convention of the Federal Life Club and Inner Circle agents groups. Each manager is required to qualify himself for the Federal Life Club and to have agents' production of \$7,500 club premiums. A junior membership was established, requirement being the manager's qualification and a minimum production by agents of \$3,750 premiums.

The theme in the managers conference was selection and training of agents and in the agents meeting, quality business. The managers' discussions emphasized recruiting better types of agents.

Attending from the home office were L. D. Cavanaugh, executive vice-president and actuary; George Barmore, vice-president and superintendent of agents; Spencer Keare of the agency department, and J. E. Miller, publicity director, all of whom spoke.

Mr. Cavanaugh announced a new sales manual which will be used similarly to a correspondence course, covering self-management, prospecting, sales presentations, development and selling of needs, etc. This is to be followed up by questionnaires sent to agents periodically by the home office to disclose what value and use they are getting out of the manual.

Mr. Cavanaugh also announced a revised prospectus booklet used by managers in selling prospective agents.

Scranton Life Leaders Sail

SCRANTON, PA., March 18.—The Scranton Life agency convention is being held on the Statendam of the Holland-American Line, which sailed from Hoboken today. There are about 36 in the party including President W. P. Stevens, vice-president and Mrs. R. Merriman and Manager of Agencies and Mrs. Hugh L. Walker. The agents on the trip are all members of the Distinguished Service Club. Plans are being made to conduct a number of agency meetings on board ship.

Old Line Life Convention

The annual agency convention of the Old Line Life of America will be held at the Edgewater Beach hotel, Chicago, July 7-9. Formerly it was held in Milwaukee, with an outing the last day at some nearby lake resort.

Secretary W. J. Moore is general convention chairman, and H. A. Woodward, manager accident and health department, vice-chairman. Paul A. Parker, agency director, has charge of the program. Agents who double their quota may take their wives.

Zimmerman Agency Meets

The C. J. Zimmerman agency of the Connecticut Mutual in Newark will hold a meeting March 20, at which F. O. Lyter, assistant superintendent of agencies, will talk on "Dependable Performances," and Edwin Hewitt, agency assistant, will discuss "Direct Mail."

Huffman-Gilchrist Rally

W. M. Huffman and L. H. Gilchrist of the Huffman-Gilchrist Agency, representing the Mutual Benefit Health & Accident and United Benefit Life in Mason City, Ia., were hosts to 40 of their representatives. C. R. Dewitz of the home office agency department was speaker.

The union of the Huffman and Gilchrist agencies followed the merging of the Cedar Rapids Life and the United

Benefit Life. The agency plans a series of weekly broadcasts on KGLO, new Mason City radio station.

Lyter, Hewitt in Richmond

Fred O. Lyter, assistant superintendent of agents, and E. S. Hewitt, agency assistant, Connecticut Mutual Life, spoke at the annual rally of the C. C. Little agency in Richmond, Va. Agents from all parts of the state attended.

Walker at Southern Rallies

Everett Walker of the State Mutual Life is holding a series of agency meetings at Houston, San Antonio, Dallas and Kansas City, and then will make a tour of the agencies in the southeast.

Honor Club to Atlantic City

Members of the honor club of the Lincoln National Life east of the Mississippi will hold their convention in Atlantic City June 28-30.

CHICAGO

SPEAKERS CLUB ACTIVE

The Insurance Exchange Speakers Club of Chicago, of which J. L. Corliss is chairman and R. E. Baker, Hartford Accident, is instructor, has been making fine progress. Just as soon as practicable it hopes to move the meeting place to the auditorium of the Chicago Board. This will permit an increase in its membership. All those interested in joining may leave their names and addresses with THE NATIONAL UNDERWRITER or Mr. Corliss of Marsh & McLennan. There are no fees or dues, merely the expense of buying the required text book.

LIFE COMPANY STOCK QUOTATIONS

H. W. McKinney of G. L. Ohrstrom & Co., Board of Trade building, Chicago, gives the following quotations on the stock of life companies:

| | Par | Div. | Bid | Asked |
|--------------------|-----|-------|--------|--------|
| Aetna Life | 10 | .60 | 32 | 33 |
| Bank. Nat. Life | 10 | 1.00 | 27 | 30 |
| Build. Life, Ill. | 1 | ... | 1 | 3 |
| Central Life, Ill. | 10 | ... | 9 | ... |
| Cent. States Life | 5 | ... | 2 | 4 |
| Columbian Nat. | 100 | 4.00 | 80 | 90 |
| Conn. Gen. Life | 10 | .80 | 40 | 42 |
| Cont. Assurance | 10 | 2.00 | 40 | 42 |
| Cont. Am. Life | 10 | 1.20 | 30 | 34 |
| Farm. & Traders | 100 | 12.00 | 210 | 225 |
| Fed. Life, Chgo. | 10 | ... | 8 | ... |
| Girard Life | 10 | .40 | 11 1/2 | 13 1/2 |
| Great Nor. Life | 10 | ... | 4 | ... |
| Great South. Life | 10 | 2.50 | 30 | 33 |
| Life & Cas., Tenn. | 2 | ... | 15 | 17 |
| Life of Va. | 20 | 3.00 | 73 | 80 |
| Lincoln National | 10 | 1.20 | 29 | 30 |
| Mo. State Life | 10 | ... | % | % |
| Natl. Life & Ac. | 10 | 1.60 | 65 | 75 |
| New World Life | 10 | .40 | 6 1/2 | 7 1/2 |
| Northw. National | 5 | .60 | 16 | 17 |
| North Amer. | 2 | ... | 3 1/2 | 4 1/2 |
| Ohio National | 10 | 1.00 | 24 | 28 |
| Ohio State Life | 100 | 10.00 | 225 | ... |
| Old Line Life | 10 | .60 | 15 | 17 |
| Pacific Mutual | 1 | ... | 3 | 4 |
| Peoples Life, Ind. | 10 | .60 | 20 | ... |
| Philadelphia Life | 10 | ... | 3 1/2 | 4 1/2 |
| Prov. Life, N. D. | 10 | .80 | 11 | ... |
| Rockford Life | 10 | ... | 4 | ... |
| Sun Life, Can. | 100 | ... | 700 | 750 |
| Travelers | 100 | 16.00 | 495 | 505 |
| Union Central | 20 | 1.20 | 21 | ... |
| Wisconsin Natl. | 10 | .50 | 16 | 18 |

INSURANCE DIVISION MEETING

The insurance division of the Illinois chamber of commerce will meet Friday noon of this week at the Union League Club, Chicago, for luncheon. J. S. Kemper, president Lumbermen's Mutual Casualty, chairman of the committee, will preside. J. T. Meek is director of the insurance division and has charge of all details.

TWO ACACIA BRANCHES MEET

A joint meeting of the Chicago and Milwaukee branches of the Acacia Mutual Life was held in Chicago. P. A. Trezise, manager Chicago branch, presided, explaining the estate service, an innovation which is valuable in the

POLICYOWNERS FIRST

Surplus to Lamar Life Policyowners and the contingency reserves increased more than 248% during the past ten years.

Estimated increase of all companies is 44% in surplus to Policyowners and in contingency reserves.

"Policyowners First" has been the watchword of the Lamar Life during 31 years of consistent progress.

April is the 31st Anniversary Month of the Company.



The LAMAR LIFE INSURANCE COMPANY
Established 1906
JACKSON, MISSISSIPPI

LAMAR LIFE TOWER

TIME LIMIT

"How long will it take me to earn a living?" is a question invariably asked by the person considering a career in life insurance. This is the first question which any sales plan must answer. It goes to the roots of the sales problem. It requires that a plan be tested and its value demonstrated; that it offer a long and short range view of a goal. It must present problem and answer every step of the way. Last and most important, it must be powerful enough to sell itself to the men and women to whom it is offered. The State Mutual Coordinated Sales Plan fills these requirements and sets the time limit.

STATE MUTUAL LIFE ASSURANCE COMPANY

of

WORCESTER, MASSACHUSETTS

Incorporated 1844

Over 93 Years a Synonym for Security

MUTUAL TRUST

LIFE INSURANCE COMPANY



"AS FAITHFUL AS OLD FAITHFUL"

Insurance in Force \$160,135,799.00
Total Assets 37,741,576.70
Gross Surplus Reserves 3,489,564.15

DURING 1936

Insurance in force increased (3.69%) \$ 5,691,879.00
Assets Increased (7.67%) 2,687,788.00
Gross Surplus Increased (7.49%) 243,057.00
Actual to expected mortality 43.8%
Lapse Ratio 6.2%
Paid Policyholders and Beneficiaries in 1936 2,886,215.00
Payments to policyholders since organization 43,194,459.00

MUTUAL TRUST LIFE is a purely mutual net level premium 3% reserve company and one of the twenty-four such companies out of three hundred operating in the United States.

NOTHING BETTER IN LIFE INSURANCE

WE INTRODUCE YOU TO YOUR PROSPECT

The following extracts from a few of the many letters on file from our representatives prove the value of our PROSPECT FINDING SYSTEM:

J. B. Redwine—Indianapolis, Indiana

I consider the PROSPECT FINDING SYSTEM the most valuable of the many fine services that the Pan-American Life renders its agents. It has repaid me many times for the money invested in the Plan.

J. S. Taylor—Jacksonville, Florida

I honestly believe that 75% of the business written by the Jacksonville office can be attributed to the Pan-American's PROSPECT FINDING SYSTEM. It keeps the prospect file full of material at all times.

T. N. Whitehurst—Beaumont, Texas

I have secured some very excellent business as a result of the Pan-American's PROSPECT FINDING SYSTEM that I would not even have known about had I not used the Plan.

H. K. Groff—Dayton, Ohio

I have just begun to cash in on the names who responded to the PROSPECT FINDING SYSTEM. It certainly does "Introduce you to your Prospect," as well as find him for you.

We are only going to appoint a few more District Managers this year. If you are interested do not put off writing.

Address:

EDWARD G. SIMMONS

Vice-President & General Manager

PAN-AMERICAN LIFE INSURANCE COMPANY

New Orleans, U. S. A.

Crawford H. Ellis, President

training of agents. He discussed problems in connection with professional programming. A general discussion followed. An outstanding example of the value of the estate service and the method of programming adopted by the two branches was pointed out in the record of B. D. Wheeler, assistant manager in Chicago, who has written more insurance in the first nine weeks of 1937 than during any one of the past five years. Other men in the branches have made appreciable gains also. E. J. Warshell, a member of the Chicago branch, who led all Acacia agents last year, is considerably ahead of the same period last year.

Luncheon was served in the branch office by women of the Chicago staff.

B. D. Wheeler's Work

B. D. Wheeler, assistant manager of the Chicago branch of the Acacia Mutual Life, has been making unusual progress this year with the use of programming.

In addition to his managerial duties, Mr. Wheeler is a personal producer and to date this year has written as much business as in all of 1936. He has been using a program idea built around the Acacia estate service. He stands second in the Chicago branch in both written and placed business and is a member of the William Montgomery Quality Club of Acacia.

* * *

BUDINGER HOLDS OPEN HOUSE

F. J. Budinger, manager of the Franklin Life in Chicago, held open house last Saturday marking the reception and formal opening of his new office at 423 Adams-Franklin building. It was necessary to expand owing to his larger organization. The Budinger agency leads the entire country in the Franklin Life agencies in business to date for 1937. It is substantially ahead of 1936 business for the same period. As of March 1 it was 40 percent of its quota set by the head office.

NEWS ABOUT LIFE POLICIES

New Policies, Premium Rates, Dividends, Surrender Values, and all Changes in Policy Literature, Rate Books, etc. Supplementing the "Unique Manual Digest" and "Little Gem," Published Annually in May and March respectively. PRICE, \$5.00 and \$2.00 respectively.

Additional Insurance Binder

Guardian Life Announces Innovation Designed to Help Agents Place More Business

An additional insurance binder now is being used by the Guardian Life of New York which permits the agents when delivering a policy applied for to bind the company to issue additional insurance up to a specified maximum without medical examination. The company is on the risk from the moment the agent and applicant execute the form and settlement is made. Under the old binding receipt the company agreed that if the policy were issued as applied for it would make the contract effective from the date of application. The Guardian points out that the new binder makes life insurance comparable to property insurance where the agent or broker usually binds the company, the policy coming along later.

Available on Most Plans

Any regular life or endowment plan for an amount up to a sum punched on the margin of the binder sent along with the original policy, but not exceeding \$10,000, will be bound at the applicant's election. There are only three requirements. The original policy in connection with which the binder is issued must be placed; the assured must apply for the additional insurance within 30 days of date of binder and must sign the binder application without qualification, certifying to continued correctness of answers in the original application except for the single change occasioned in insurance in force by the policy the company has just issued; the assured must pay the first premium for additional insurance at time of signing binder.

Coverage under any supplemental agreement, such as premium waiver, disability annuity or double indemnity, is excluded by the binder unless acceptance is specifically indicated thereon by the company. The company will indicate whether it will accept any of these supplemental agreements and, if so, for what maximum. Term insurance will not be bound. The new policy will be dated as of date of binder application or the assured may elect any earlier date not prior to date of application for original policy.

W. J. Nenner and A. F. Schwartz, assistant to the vice-president and assistant actuary, respectively, of the Penn Mutual Life, are on a southern trip.

Changes by New York Life

Amended Rules as to Premiums That Are Paid in Advance to the Company

The New York Life as of March 1 announces that the rate of discount on premiums paid in advance will continue to be as formerly 2 percent but premiums will be discounted for not more than five years instead of 10. A corresponding change in the rule applies in the discounting of premiums paid in advance under annual premium retirement annuities where the attained age is 50 or under. If it is over 50, no discount of premiums will be allowed. The aggregate amount of premiums paid in advance by any individual will hereafter be limited so that not more than \$5,000 of advance premiums may be in the company's hands at any time. This limitation applies also to annual premium retirement annuities.

The maximum which the New York Life will hereafter accept in one year under single premium policies will be \$50,000 of single premium and in a period of five years \$100,000. For young ages the maximum amount of single premiums that may be paid would be less than \$50,000 in one year on an annual premium policy.

Maximum for Annuities

The maximum for single premium annuities will be \$50,000 of consideration in one year and not more than \$100,000 in five years. Where there are both single premium annuities and single premium insurance policies, the maximum consideration therefore will be \$50,000 within one year and \$100,000 in five years.

In view of the small number of retirement annuity policies issued with the waiver of premium benefit and as the expense of examination is high as compared with the premium for the waiver benefit, this feature has been discontinued. Annual premium retirement annuities without the waiver of premium benefit will continue to be available.

Loyal Life Juvenile Cover

The Loyal Life has brought out a juvenile semi-endowment at age 18, with death benefit, issued on children ages one day to 9½ years. It is participating, the first dividend payable at the end of the second year and cash values also available then. It can be used to finance a college education and has an

option permitting insured to continue the policy until age 30, if desired. The payor provision also is available.

Death benefits payable if death occurs before age 10 are graded, \$100 per year of age until 10 when it is worth the face. The policy matures at 18 for one-half the face amount. The semi-endowment furnishes cash for educational purposes at a low premium.

A business fund option permits insured to continue the policy until age 30 for a premium of \$24 a year. Dividends can be used to decrease premiums or may be left to accumulate. At age 30, the policy will mature for \$1,000 plus any accumulated dividends. This represents a large return over the amount deposited. Between ages 18 and 30 the policy will provide protection for \$1,000.

Northland Mutual Contract

New Rockford Company Describes the Policy It Is Featuring During Its First Days

The new Northland Mutual Life of Rockford, Ill., which has been licensed by the Illinois department, is issuing an ordinary life contract on the American 3½ table. At age 35 the premium is \$27.21. Coupons are attached ranging in cash value from \$2.65 the second year to \$8.89 the 20th. These may be used, first, to add 50 percent protection for 20 years, or to age 65, whichever occurs first. Under this option at the end of the 20 years the amount of insurance reduces to \$1,000 and the premium reduces to \$22.08. Secondly, the coupon may be used to accelerate the maturity of the policy as an endowment. A policy issued at age 35, under this option, will mature at age 67 as an endowment. Thirdly, the coupons may be used to mature the policy as paid up life insurance at age 59. Next, the cash value of each year's coupon may be used to reduce the premium, or fifth, to purchase paid up additional insurance, or sixth, it may be left with the company to accumulate at 3½ percent as an additional savings fund.

The policy is non-participating the first 20 years, but may be exchanged at the end of the 20 years or any time thereafter for a full participating contract, identical in all respects with the original policy.

President Cord C. Lipe states that it provides additional protection at a low cost for the man who is interested mainly in protection, under the first of the coupon options. It is an endowment at approximately the retirement age or paid up policy at an age somewhat earlier than the usual retirement age. It is a straight life policy with the benefit of guaranteed reduction in gross premium under the fourth option. Under the fifth option it is an ordinary life policy with a steadily increasing amount of paid-up additions. Under the sixth option, it is an ordinary life with an accumulated savings fund for premium paying or any emergency purposes. Mr. Lipe states that it proposes to issue two other unique contracts later on.

Reliable Life Announces

New Whole Life Contract

Prior to January the Reliable Life of St. Louis wrote only industrial life and accident, but it opened an ordinary department with issuance of a combination whole life and endowment policy. It is also issuing three intermediate life policies: Life paid up at 70 years, a 20-pay life and a 25-year endowment sold for \$500 or \$750.

It will soon issue a new whole life ordinary policy for \$1,000.

The combination endowment and ordinary life policy at the end of ten years pays \$500 cash and then continues in force as a whole life policy for the \$1,000 original face value. Net cost is low. At age 35, annual premium

for first ten years is \$65.09, or \$650.90 for ten years, when cash value is \$601, making annual net premium \$4.99 per \$1,000. At the beginning of the 11th year annual premium drops to \$20.97 per \$1,000. At the end of 20 years cash value is \$302 which plus \$500 paid as an endowment makes cash return \$802 compared with \$860.60 total premiums paid in, leaving net annual cost \$2.93 per \$1,000. Annual premium rates for the new whole life form are:

| Age | Annual | Age | Annual | Age | Annual |
|-----|---------|-----|---------|-----|---------|
| 1 | \$11.31 | 5 | \$10.87 | 25 | \$15.70 |
| 2 | 11.20 | 10 | 11.43 | 30 | 17.98 |
| 3 | 11.08 | 15 | 12.53 | 35 | 20.97 |
| 4 | 10.96 | 20 | 13.93 | 40 | 24.93 |

Single Premium Endowment and Life Rates Advanced

The Kansas City Life has substantially increased its single premium life and endowment rates, the new scale going in effect March 15. The new rates at quinquennial ages are:

| Ages | Life | 10 Yr. End. | 15 Yr. End. | 20 Yr. End. |
|------|----------|-------------|-------------|-------------|
| 20 | \$363.38 | \$850.08 | \$754.99 | \$671.15 |
| 25 | 393.98 | 850.51 | 756.01 | 673.11 |
| 30 | 429.68 | 851.13 | 757.52 | 676.01 |
| 35 | 473.03 | 852.07 | 759.89 | 680.74 |
| 40 | 522.75 | 853.60 | 763.87 | 688.86 |
| 45 | 581.40 | 856.30 | 770.93 | 702.86 |
| 50 | 647.70 | 861.23 | 783.40 | 726.09 |
| 55 | 721.65 | 869.71 | 803.27 | 761.39 |
| 60 | 799.43 | 881.91 | 833.39 | 810.18 |

INDUSTRIAL

Industrial Leader is Honored

Vice-president E. H. Brock of the John Hancock Mutual Life is Celebrating 50th Anniversary

President Guy W. Cox of the John Hancock Mutual gave a luncheon in honor of Vice-president E. H. Brock on his 50th anniversary of service with the company. It was attended by his associates at the head office.

The 180 industrial offices conducted a three weeks special campaign in tribute to him. The results were recorded on the familiar bulletin letterhead, which for 10 years has carried Mr. Brock's personal message to the field. The sheets were inscribed "This Is Our Bulletin to You," and were bound in permanent leather binding. From the agency department Mr. Brock received a beautiful banjo clock. There were congratulatory letters, telegrams, flowers, etc., from all sides.

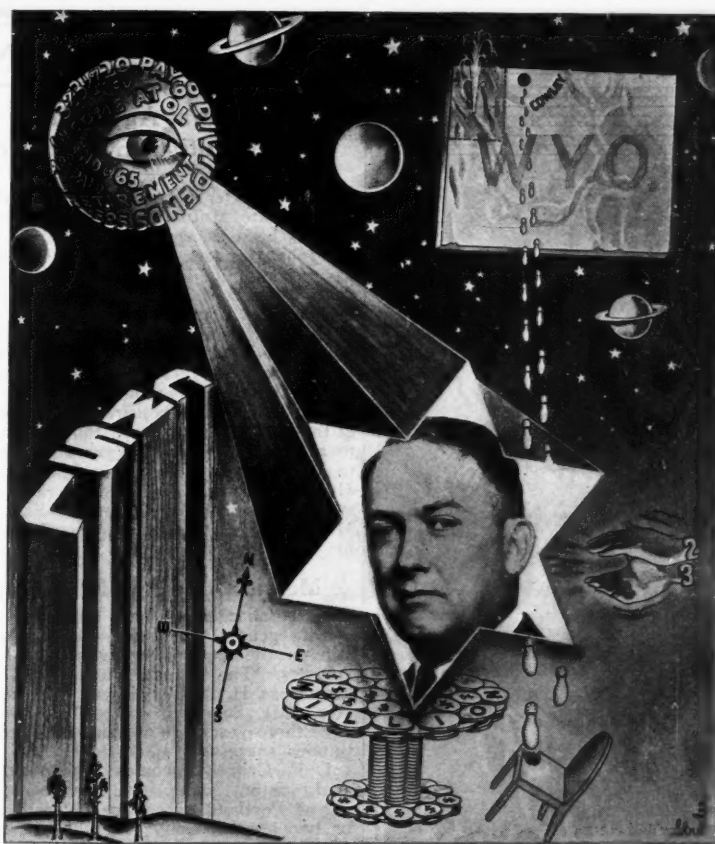
Has Had Active Career

When Mr. Brock started with the John Hancock it had assets of \$2,500,000. Now it has over \$796,000,000. He began as a clerk in the home office and after two years joined the Boston industrial agency as a solicitor. Later he was made assistant superintendent and seven years after he started as an office boy he became superintendent at Boston. He served in that post for nine years. Today it is the John Hancock's largest industrial office. In the early days of the industrial branch its agents did not write ordinary insurance but in 1901 they were awarded ordinary contracts. Two years later when Mr. Brock returned to the home office as assistant agency superintendent he began training industrial agents along these lines. Today more than half the ordinary insurance is produced through the weekly premium department.

Mr. Brock became agency superintendent in 1917 and three years later was chosen vice-president. In 1924 he was elected a director.

A. B. Burns Promoted

A. B. Burns is promoted to superintendent of the Syracuse No. 1 district of the Prudential. He started with the Prudential in 1929 as an agent at Carthage, N. Y., and in 1931 was promoted to assistant superintendent.



SURREALIST EXPLANATION—Outstanding among star salesmen, the eyes of the life insurance world are on Grant Taggart who comes from a Wyoming town of eight hundred souls to Chairmanship of the Million Dollar Round Table. Looming large in the West which it serves, his company—California-Western States Life—is proud to acknowledge and add to the applause which his phenomenal 23-year career of service has evoked.

1937 Starts Off with Increases For Country Life Insurance Company

January, February and half of March show increases from 20% to 38% over the same periods of 1936 for Country Life Insurance Company.

Agents report an excellent feeling of optimism and courage, with money being spent for the necessities, and people giving an attentive ear to the story of life insurance.

From the business that is in thus far in March we expect better than a three and a half million March.

This low cost company has an enviable growth record, over 100 million in force.

COUNTRY LIFE INSURANCE COMPANY

L. A. Williams, General Manager,

608 South Dearborn Street
Chicago, Illinois

LIFE AGENCY CHANGES

Baxter General Agent of State Mutual in Rochester

H. H. Baxter becomes general agent of the State Mutual Life at Rochester. He has been associate general agent of the John Hancock there since 1929, and has been in life insurance work for 11 years. Much of the time he has spent building new organization.

Mr. Baxter first was connected with the John Hancock in 1925 at Elmira, N. Y., for two years doing organization and personal production work. There he joined the sales research department at the home office to teach fundamentals to new men. After two years he went to Rochester as associate general agent. He is a graduate of New York University Business Administration School. Mr. Baxter's father was general agent for the John Hancock in Syracuse.

Montana Life Appointments

Matt Schergen has been appointed associate general agent for the Montana Life in the Terwilliger agency at Los Angeles. The agency will now be known as H. C. Terwilliger & Associates. Mr. Schergen entered life insurance three years ago and has made continuous success.

J. F. Griffith becomes special agent at Lewiston, Idaho. He has been living at Portland, Ore., for the last year or two but for many years he was one of the best known life men in Idaho. Ten years ago he was a supervisor there for the Montana Life.

Darling Named Supervisor

J. G. Darling, for four years special agent of the V. M. Stamm general agency Northwestern Mutual Life in Milwaukee, has been appointed agency supervisor by Mr. Stamm to succeed W. W. Lundgren, who was appointed assistant director of agencies at the home office. Mr. Darling is a University of Wisconsin graduate who devoted much time to study of statistics, economics and personnel problems, and in addition to sales work in the Stamm agency, designed charts, presentation forms and other promotional material which the agency has used effectively.

Guarantee Mutual Appointments

The Guarantee Mutual Life has appointed Fred M. Jelinek of Minneapolis as general agent for seven counties. He has had six years' experience in life insurance, recently resigning as manager at Minneapolis for the Central Life of Illinois. He formerly represented the Mutual Life of New York, and the Atlantic Life.

O. W. Chandler of Hannibal, Mo. is appointed as general agent for 13 north-east Missouri counties. For the past six

years he has been district manager for the Pan-American Life at Hannibal. He is a graduate of the University of Missouri, and is chairman of the Northeast Missouri Life Underwriters Association.

A. N. Avelsdson becomes general agent at San Diego, Cal. He has represented the Guarantee Mutual as an agent for several years, and will now have charge of San Diego county.

Jean Black Is Assistant

The Connecticut General Life has announced the appointment of Jean Black as assistant agency manager of the H. E. Nyhart Agency in the Security Trust building at Indianapolis. He has been in life insurance there for six years. He was the leading producer for the company in Indiana last year. He is a graduate of Wabash College and following the securing of his degree he took guidance and psychology. R. C. Blessing, who has been a unit manager for the Nyhart agency has been made brokerage manager. The Nyhart agency now ranks 12th in size among all the agencies.

Big Increase in Spokane

SPOKANE, WASH., March 18.—The Spokane agency of the Bankers Life of Iowa increased its new business 25 percent in 1936, William Winterble, superintendent of agencies, told an agency meeting. Other speakers were: E. F. Burke, Spokane, manager; S. H. Bright, Spokane; B. A. Howard, Caldwell, Idaho; M. R. Thompson, Yakima; A. G. Hauge, Coeur D'Alene, Idaho.

Harry Curtis Is Topeka Manager

Harry Curtis is appointed Topeka manager of the North American Life of Chicago. In 1916 he signed an agency contract when E. S. Ashbrook, now president was manager at Kansas City, Mo. He left life insurance and located in western Kansas. In 1930 he came back and began to produce business in a very capable way. He devised the retirement income bond that the company is writing. He has maintained an office for nearly 20 years in the New England building at Topeka.

Columbia Life in Cleveland

Clyde B. Aldrich and Bernard W. Coffman have opened an office in the Guardian building, Cleveland, and have organized Aldrich & Coffman, Inc., general agents for the Columbia Life of Cincinnati. Paul Martin and F. D. Lord represent the company as agents.

Martyn Washington Manager

The North American Life of Canada has appointed D. B. Martyn of Victoria as Washington state manager, relieving E. C. Sears, whose entire attention will

be devoted to handling Seattle city business. Mr. Sears has been with the company 34 years, having started at Dawson, Y. T., in 1903. Mr. Martyn has been with the company six years at Victoria. Prior to entering insurance he was for 11 years deputy minister of industries for British Columbia.

Great-West Appointments

J. D. Graham, who has been an agent in the Winnipeg branch of the Great-West Life, becomes supervisor for Minnesota under Manager F. W. Atkinson. He joined the Winnipeg agency in the latter part of 1935. He demonstrated his success as a personal producer. He has written a number of substantial group cases.

E. G. Gillott, who has been agent at Dawson, Minn., has been appointed district manager for southwestern Minnesota, with headquarters at Worthington.

Isgrig Appointed Assistant

K. W. Isgrig has been appointed assistant manager of the Reliance Life in Cincinnati, associated with Manager R. C. O'Connor. He has been one of the leading producers for the Guardian Life, leading its field force several years in number of lives. For some time he has served as agency supervisor in Cincinnati. The Cincinnati office of the Reliance Life has moved to larger quarters at 702 Schmidt building and is nearly 100 percent ahead of last year.

Heads Minneapolis Office

A. N. Nelson, for the past five years manager St. Paul branch of the Travelers, has been promoted to head the Minneapolis branch. He succeeds A. R. Hustad, who has resigned. Mr. Nelson will have charge of the St. Paul branch as well until a successor is appointed.

Wood with Mutual Trust

Louis F. Wood has been appointed general agent of the Mutual Trust Life of Chicago at Keokuk, Ia. He is a graduate of the University of Iowa and has been with the Bankers Life of Iowa since 1923, for a number of years as district agent at Keokuk. He has been very successful both as a producer and agency man.

McJaffney to Twin Cities

J. W. McJaffney has been appointed district manager for the Manufacturers Life of Toronto for the Twin Cities succeeding A. Pace, who becomes branch manager in northern Ontario with headquarters at North Bay. Mr. McJaffney joined with the Calgary branch in 1932.

McCabe Gets Charlotte Agency

John E. McCabe has been appointed manager of the Charlotte, N. C., agency of the Guardian Life succeeding J. E. McIlwaine, who has served the company for more than 20 years. Mr. Mc-

MEN OF ACTION

REPRESENT A COMPANY RECOGNIZED EVERYWHERE AS

"One of the Best"

CENTRAL LIFE ASSURANCE SOCIETY

DES MOINES, IA.

Accident Business Is Good — For sales pointers read The Accident & Health Review. Sample copy 10 cents. Address A-1946 Insurance Exchange, Chicago.

THE HOME LIFE INSURANCE COMPANY OF AMERICA

PROTECTS THE ENTIRE FAMILY

Home Life agents are equipped to serve every need for life insurance. Modern policies are issued, on both Industrial and Ordinary plans, from birth to 65 next birthday.

A POLICY FOR EVERY PURSE AND PURPOSE

Basil S. Walsh
PRESIDENT

Joseph L. Durkin
SECRETARY

John J. Gallagher
TREASURER

Independence Square

Philadelphia, Penna.

A NEW YORK STATE Mutual Life Insurance Company, with a half century of success behind it, has General Agents' contracts to offer good personal producers in several medium sized cities in New York, Pennsylvania and Ohio.

Address F-30.....National Underwriter

Ilwaine will continue as associate manager, giving service to his personal clientele. Associate Manager A. W. Fetter, who has his headquarters in Greensboro, will be associated with Manager McCabe in the development of the Charlotte agency. Mr. McCabe entered the field as a personal producer in St. Louis some years ago and later engaged in managerial work. In recent years he has been manager of the Guarantee Mutual Life at Atlanta. His headquarters are in the Independence building at Charlotte.

Yeomen Mutual Appointments

H. B. Lamley has been appointed general agent of the Yeomen Mutual Life at Portland, Ore., with offices at 1014 Public Service building.

A graduate of Oregon State College, he has been active in life insurance work on the west coast for a number of years.

J. E. Roundy has been appointed general agent for the Yeomen Mutual at Woodbine, Ia. He has been in the insurance business for 22 years and has been a state manager in South Dakota.

Austin Is Named Assistant

General Agent H. L. Sanborn of the State Mutual Life in Portland, Me., has appointed C. M. Austin associate general agent. Mr. Austin is a graduate of the University of Michigan and formerly attended the University of Maine. He has been in the life business in Portland for two or three years.

Forbes to Beaumont

Ira N. Forbes, formerly Brownwood, Tex., general agent of the Protective Life of Birmingham, has been transferred to Beaumont, Tex.

Joins American National Life

Paul Tally formerly district manager Union Central Life, at Corpus Christi,

Tex., more recently with the Great American Life of San Antonio as associate general agent, has been appointed agency supervisor for the Corpus Christi district by the American National Life of Galveston.

Schaefer Opens Life Department

Walter A. Schaefer & Co., Newark, N. J., has established a life department with Fred Ditmars in charge. Mr. Ditmars is also affiliated with the Frank H. Lewis agency of the Massachusetts Mutual Life.

The Minnesota Mutual Life has appointed J. R. Holbrook as general agent at Orlando, Fla.

Cullen N. Y. First Deputy

Following the resignation of R. M. Clark as first deputy of the New York department to associate with the Continental Casualty and Continental Assurance at Chicago, Superintendent L. H. Pink announced the appointment of T. J. Cullen, now deputy in charge of the Albany office, as Mr. Clark's successor. Edward McLoughlin becomes senior deputy in New York City and will have administrative charge of the New York office. Other changes include the selection of Paul Taylor as a deputy superintendent in New York City, he to be succeeded as counsel. J. P. Traynor continues as deputy superintendent in charge of title and mortgage matters. Mr. Cullen, who has served the department long and ably, will remain at Albany, going to New York when important questions of policy are under consideration.

Big Birmingham Business Case

In Birmingham, Ala., \$400,000 of business insurance was written on the life of V. J. Elmore, chain store proprietor, to back up the sale of an issue of stock by his concern of that amount. The business is being distributed among several agents and companies.

LEGISLATIVE • DIGEST •

The Arkansas, Idaho, North Dakota legislatures have adjourned. The Tennessee legislature has recessed until May 5.

SUPERVISION

California—Assembly bill 1596 sponsored by life underwriters to increase the salary of the insurance commissioner by \$4,000, change his title to "superintendent of insurance" and definitely set his term of office, was withdrawn after a conference of insurance representatives with Governor Merriam.

Illinois—Foreign companies would be required to deposit \$200,000 in Illinois under a bill that has been referred to the insurance committee.

Colorado—A house bill provides for complete regulation of mutual benefit companies by a special division of the building and loan department. Drafted and approved jointly by mutual benefit leaders, the attorney general's office and life insurance men, the measure stands an exceptionally strong chance of passage. Qualification to start operation would be 200 applications with \$1,000 in cash fees.

Michigan—Diggs senate bills would revise regulations of burial and funeral benefit associations, subjecting them to partial insurance department supervision.

Wisconsin—Grobschmidt bill revises public utility investment requirements of domestic life companies.

Maryland—The various organizations of life agents in Baltimore held a meeting to discuss the bill to require applicants for licenses as ordinary agents to pass a written examination.

ESTATE TAXES

Minnesota—A hearing was held on house bill 662 which would make the proceeds of life insurance subject to inheritance taxes. A large number of life insurance men opposed the bill.

New Mexico—Senate bill 214 exempting cash surrender value of annuities from liability for debts of the assured passed in senate and favorably reported in house.

GENERAL

Wisconsin—House bill 400 requires that statements in an application cannot defeat or avoid a policy unless they are made with the intent to deceive and the matter misrepresented actually increased the risk or materially contributed to the loss.

Arkansas—The house defeated a bill providing group insurance for state employees.

Pennsylvania—Guardians of minors would be authorized to invest in life insurance policies and annuities under the Stiefel senate bill. Permission of the orphans courts is required.

Must Produce Records

DAVENPORT, IA., March 18.—The Iowa supreme court ruled the Independent Order of Foresters, Toronto, Can., must produce in Scott county district court all records connected with absorption of the Modern Brotherhood of America of Mason City, in connection with which disputed items of alleged illegal payments totaling \$750,000 have been made. The case originated in suit of three members, S. G. Frink, W. G. Makemson and Robert France, all of Tipton, for an accounting and recovery of money said to have been paid to the Parks Service Company of Chicago, officers and directors of the Modern Brotherhood and other officials for negotiation of a merger.

A Doting Dad Today..



...but how about tomorrow?

He's a real dad, this fellow. His pride in the new baby knows no bounds. He foresees a hefty "right" in every spasmodic wave of that pudgy little arm. He's ready to nominate him for a future "All-America" at every lusty kick of a tiny plump leg. Yes, he's a doting dad all right, today. But how about tomorrow?

For his job as a father shouldn't stop with bursting pride and needs of the moment. He owes this tiny bit of humanity his care and support through the next 20 years, at least. Wouldn't you like to know how he became a complete father by making sure that his family never will have less than \$100 every month for the next 20 years...how, in effect, he made this Company a financial-foster-father to his son...how he made sure of a Retirement Income for himself, all with the same dollars, Double Duty Dollars?


lars? We'd like to send this free plan to you, with no obligation. Just mail coupon.

BANKERS LIFE COMPANY
A MUTUAL RESERVE LIFE INSURANCE COMPANY.
Established 1875.
DES MOINES

FREE—"SPARE KEY" PLAN FOR FATHERS

BANKERS LIFE COMPANY, Des Moines, Iowa
Please send me your Story of a Complete Father.
Name _____
Address _____
City _____ State _____

This advertisement appeared in half-page space in the Saturday Evening Post of January 30th and Collier's of February 20th.



Step Out

WITH

Yeomen Mutual Life

Nineteen Thirty-Seven offers a lifetime opportunity for hard hitting salesmen. Get yourself a good territory with this 40-year-old fast growing company and really STEP OUT. Some fine openings right now.

YEOMEN MUTUAL LIFE INSURANCE COMPANY
A. H. Hollman, President

Home Office: Des Moines, Iowa

JUVENILE INSURANCE

A plan for every purpose—
issued from ages
1 day to 15 years

- 20 Payment Endowment at Age 85
- 20 Payment Endowment at Age 65
- 20 Year Endowment
- Educational Endowment at Age 18

SINCE 1848



You're in the Money—when you sell accident and health. Read *The Accident & Health Review* for sales pointers. Sample 10 cents. Address A-1946 Insurance Exchange, Chicago.

ASK A FIELD MAN . . . He Knows!

The Field Man is properly the connecting link between life insurance company and agent. Better than anyone else, he knows whether or not service rendered agent (and through the agent, the policyholder) is all that the company claims for it. Believing this, The Southland Life ASKED its District Managers about Southland Life service to agents. And here is what one said:

JIM BALDWIN
AUSTIN, TEXAS

"Selling the idea of representing the Southland Life is made much easier by the fact that The Southland Life is thoroughly familiar to most people in my territory because of weekly radio broadcasts they hear, and advertising they read."

If you are interested in an agency contract, write First Vice-Pres. Clarence E. Lins, or Vice-Pres. and Agency Mgr. Col. W. E. Talbot.

SOUTHLAND LIFE INSURANCE CO.

HOME OFFICE . . . DALLAS, TEXAS

Harry L. Seay, President

NEWS OF LIFE ASSOCIATIONS

Connecticut State's Program

Sales Congress at Hartford for Next Tuesday Has Numerous New York City Speakers

A strong program of speakers, including Henry E. North, vice-president Metropolitan Life and Borden and Busse in person, has been announced for the Connecticut state sales congress March 23 in Hartford. The congress is under the auspices of the Hartford Life Underwriters Association. An attendance of more than 500 is expected.

An added feature of the program will be the tenth anniversary luncheon of the local C. L. U. chapter. The chief speaker will be Commissioner Blackall. W. S. Pratt, Northwestern Mutual, is president of the chapter and will be chairman at the luncheon. Mr. North and John Marshall Holcombe, Jr., manager Life Insurance Sales Research Bureau, both of whom are directors of the American College of Life Underwriters, will also be guests of honor.

L. W. Davis, Provident Mutual, is president of the Hartford Life Underwriters Association and the following committee has charge of arrangements for the congress: G. B. Dorr, Northwestern Mutual, chairman; W. W. Hartshorn, Metropolitan, vice-chairman; F. O. H. Williams, Connecticut General; C. R. Noyes, Phoenix Mutual, and Ward Phelps, Life Insurance Sales Research Bureau.

The program will be as follows: Henry E. North, vice-president, Metropolitan Life, "Opening the Oyster;" Borden and Busse in person, "Making a Sales Presentation Stay Presented;" Leon Gilbert Simon, Equitable Life of New York, New York City, "Business Insurance;" A. V. Youngman, Mutual Benefit, New York City, "How to Handle People;" R. U. Redpath, Northwestern Mutual, New York City, "Programming;" and W. J. Blackwell, Penn Mutual, New York City, "Package Selling."

De Forest Congress Chairman

John W. De Forest, Buffalo general agent for Aetna Life, is general chairman of the sales congress to be held in his city May 7 under the auspices of the New York State Association of Life Underwriters.

Northern New Jersey—The luncheon meeting will be omitted in March but a meeting will be held April 12 with a prominent agent as speaker. Plans are shaping for the annual outing in conjunction with the annual meeting in June. The association membership has grown rapidly and it is hoped will be well over 400 before the end of this year. A goal of 500 has been set for next year. Many agencies in northern New Jersey are adding materially to their agency forces.

Wisconsin Group Is Active

Association Formed in 1935 Has Legislative, Educational Work in State Well Organized

MILWAUKEE, March 18.—Plans for an aggressive program of activity by the Wisconsin State Association of Life Underwriters were outlined at a meeting of the board at which committee appointments were made. The association was organized in 1935 by representatives of Milwaukee, Madison, Green Bay, Sheboygan and Appleton local associations, and last year was incorporated by A. A. Moser, Aetna Life, Milwaukee, first president; E. G. MacDonald, Equitable, Sheboygan, vice-president; R. L. Hesse, Lincoln National, Madison, secretary, and J. N. Patterson, Milwaukee, a director.

Officers to serve until July 1, are: President, Mr. MacDonald; first vice-president, Mr. Hesse; second vice-president, E. B. Matteson, Metropolitan, Green Bay; secretary, Mr. Patterson and treasurer, Mr. Moser.

Chairmen of standing committees are: Convention, Earl Wheeler, Mutual Benefit, Madison; education, Frank Neu, National Guardian, Green Bay; extension, Mr. Moser; finance, F. C. Hughes, Mutual Benefit, Milwaukee; legislation, H. B. Wells, Mutual Life of New York, Milwaukee; membership, M. W. Smith, Equitable, Madison; publicity, H. M. Holmes, Lincoln National, Milwaukee; sales congress and speaker's bureau, Walter Rhodes, Business Men's Assurance, Madison.

The legislative committee is functioning on bills before the Wisconsin legislature. Educational projects include conducting a sales congress. The state association cooperated with the Milwaukee association in putting on a sales congress March 18 in Milwaukee.

Kansas City Congress Is Scheduled for April 9

The annual sales congress sponsored by the Life Underwriters Association of Kansas City for agents there and in western Missouri and Kansas, will be held April 9. Speakers lined up include J. M. Gantz, general agent Pacific Mutual, Cincinnati, on "Life Insurance Can Be Merchandised;" Dr. Fred Condit, minister, El Dorado, Kan., "As a Layman Views Life Insurance;" and A. R. Jaqua, associate editor "Diamond Life Bulletins," whose subject has not been announced.

In addition, Dallas Alderman, manager Kansas City agency Kansas City Life and chairman program committee, announced the congress will have an outstanding personal producer and possibly a prominent life company executive. A feature will be seating of the leading producer of each Kansas City agency at a special table during lunch.

Fort Wayne, Ind.—Speakers at the tri-state sales congress here Friday include E. W. Brailey, New England Mutual, Cleveland; A. L. Dern, vice-president Lincoln National Life; R. B. Hull, manager National Association of Life Underwriters, and Commissioner Newbauer.

H. K. Nickell, agent of the Connecticut General in Chicago and a member of the million dollar round table, will talk on "Preparing for Larger Volume."

Rockford, Ill.—J. Hawley Wilson, Massachusetts Mutual Life, Peoria, Ill., spoke on "Keeping on the Main Track."

Seattle—The annual sales congress will be held April 9. Among chairmen for the event are L. C. Appleman, National of Vermont; F. P. Quinn, New World Life; Ray Finger, Sun Life; J. J. Patterson, Oregon Mutual Life; Herb Allen, Metropolitan; P. R. Green, Aetna Life,

and Fred Broderick, Massachusetts Mutual Life.

Indianapolis—G. E. Lackey, of Detroit, general agent Massachusetts Mutual, will speak at a meeting here March 25 on "Opportunities for Life Underwriters by Cooperating with Attorney." Members will invite attorneys as guests. C. C. Crumbaker is chairman of a committee cooperating with seven trust institutions in Indianapolis to develop a life insurance trust council.

Harrisburg—Plans for a sales congress of the Pennsylvania State Association of Life Underwriters on May 14 in Harrisburg were discussed at a meeting of the General Agents & Managers Association here.

Menasha, Wis.—E. J. Lachman, Kansas City Life, was elected president Twin City association at the annual meeting of Neenah and Menasha agents. Other officers are: Vice-president, W. J. Paul; recording secretary, M. E. Law; corresponding secretary, C. M. McEathron, and treasurer, C. H. Tarter. Plans for activity this year were discussed, including a cooperative advertising program in connection with observance of Life Insurance Week in May.

Wheeling, W. Va.—President F. T. Shepherd announced appointment of a state assistance committee to act with other association committees in formation of a state association of life underwriters. The committee is: E. I. Taylor, chairman; Earl Yago and J. C. Hupp. The essay contest being sponsored in schools is progressing satisfactorily, some 19 major schools and a number of smaller ones being enrolled. R. B. Naylor is chairman of the committee.

Bart Evans, chairman library committee, announced the city librarian has agreed to place ten life insurance books in the public library.

St. Louis—William King, agent Mutual Benefit Life, discussed "The Life Insurance Plan" at a luncheon meeting. Occasion was "Chartered Life Underwriters Day."

Recently 125 members heard a talk on "Wills" by H. C. Dyer, local attorney. It was the second gathering in the "Estate Settlement Clinic" series arranged by Adam Rosenthal, chairman of meetings committee.

Portland, Ore.—President N. A. Dew, John Hancock Mutual, announces the annual sales congress April 9. Leading speaker will be P. F. Cadman, consulting economist of San Francisco. R. P. Cox, executive vice-president California-Western States Life, will also appear.

Cleveland—The women's division will meet March 20. Four quarter-million dollar producers will lead the discussion.

Charleston, W. Va.—G. H. Harris, public relations counsel Sun Life of Canada, discussed the phenomenal growth of life insurance since 1900.

Burlington, Ia.—Karl E. Madden, Davenport general agent Penn Mutual and his staff speak today. Mrs. Paul Woodward and Mrs. Gertrude Lundgren, Burlington Penn Mutual agents, are in charge.

The program consists of a skit illustrating the way a regular meeting in an agency should not be conducted and then how it should be handled. Taking part in the skits are Mr. Madden, Alden Haldeman, Merle Van Epps, Walter Ganster, Dan Ryan, G. E. Kirk and Carl Swanson.

San Francisco—Co-chairmen for Life Insurance Week activities appointed by Paul Webber, Lincoln National Life, general chairman, are: N. J. Goldsmith, Equitable of N. Y.; Thomas Gallagher, Prudential, president of the association; H. K. Cassidy, Pacific Mutual Life, and R. R. Henderson, New York Life.

Women agents attended a luncheon meeting under auspices of the women's committee, with Hazel J. Oppenheimer, chairman, personal producer Equitable Life of New York, presiding.

Milwaukee—A sales congress was held here beginning with a luncheon and continuing throughout the afternoon. M. F. Hellig, Equitable, association president, presided. Arrangements were in charge of a committee headed by S. L. Klarer, Northwestern Mutual, first

vice-president. The meeting was open to non-members at a slight fee, and agents from other Wisconsin cities participated. The program included an address on "Business Cycles" by J. H. Foth, Rochester, N. Y.; "Utilizing Axes as a Means of Selling Life Insurance," by J. O. Todd, Minneapolis, special agent Northwestern Mutual and member Million Dollar Round Table; "The Call of the East" and "Seagoing Telephones," sound pictures by courtesy of the Wisconsin Telephone Co.; "The C. L. U. Celebrates Its Tenth Birthday," by F. C. Hughes, Milwaukee general agent Mutual Benefit Life, and "Why Men Succeed," by A. R. Jaqua, associate editor Diamond Life Bulletins, Cincinnati.

* * *

Los Angeles—A joint dinner meeting will be held March 22 with the Los Angeles C. L. U. Chapter in celebration of the tenth anniversary of founding of the American College of Life Underwriters. H. W. Dougher, president of the local chapter, and Phinehas Prouty, Jr., president of the association, will preside.

* * *

Omaha—A joint dinner of the Nebraska Agency Managers Association, the Omaha association and insurance subdivision of the chamber was held, Sam Howell, vice-chairman of the subdivision, presiding and H. W. Ahmanson being toastmaster. L. O. Schriver, Peoria, Ill., former president National association, spoke on insurance problems, present and future.

* * *

Oakland-East Bay, Cal.—Selection of Gerald Whitaker, manager Travelers, Oakland, to head the sales congress committee was announced by President C. A. Moore, general agent Aetna Life. The sales congress, to be held in San Francisco April 7 is a joint affair. Harold Breckenridge, Reliance Life, will be chairman of Life Insurance Week activities in the East Bay district.

* * *

Detroit—Plans are being made by the committee in charge of the annual sales congress March 19, to accommodate upwards of 400 at the morning and afternoon sessions and at luncheon. H. W. Florer, Grand Rapids, general agent Aetna Life and president Michigan state association, and other prominent Michigan agents will give five-minute thumbnail talks on current underwriting and sales problems, telling methods that are proving successful under present conditions. Six prominent speakers make up the formal program. C. C. Robinson, editor "Insurance Salesman," on "Developing Centers of Influence in a Changing Economic World"; G. H. Thobaben, Cleveland association secretary, on "What Does It Mean to You?" G. H. Harris, Montreal, public relations director Sun Life, "The Outlook for the Life Underwriter in 1937"; Commissioner Gauss on "The State Insurance Commission Helps the Underwriter"; A. L. McCarthy on "Selling with Man Power," and T. P. McAuliffe, lecturer, on "What Does a Man Need to Be Successful?"

Prospect Leads?

Lutheran Brotherhood field men need never be idle for lack of prospects. Our men have a selected field of operation. All Lutheran men, women and children are eligible for Brotherhood insurance.

Lutheran salesmen, for a greater field in selling, write

LUTHERAN BROTHERHOOD

LEGAL RESERVE LIFE INS.

Herman L. Ekern, President
Minneapolis Minnesota

LEGAL RESERVE FRATERNALS

Royal Highlanders Legal Reserve Plan Is Approved

LINCOLN, NEB., March 18.—Director Smrha approved amended articles of incorporation of the Royal Highlanders which will transform it into a mutual legal reserve life company, with provision that rights of policyholders be unchanged. Mr. Smrha has called a meeting of policyholders for April 24 at the home office here to vote upon approval or rejection, a two-thirds vote being required. A proxy form is being sent to be used in voting, and a department official will check the vote and be present when the final vote is recorded.

Now on Legal Reserve Basis

The Royal Highlanders has operated for several years on the legal reserve basis. While there has been decrease in membership the society has 8093 members paying on the assessment plan. Insurance in force Dec. 31 was \$9,298,012, assets \$4,622,000, 1936 income \$642,365, losses paid \$269,000. It operates in Nebraska, Washington, District of Columbia, Montana, Idaho, California, Iowa, Wyoming, Oregon, Colorado and Kansas.

Savings are expected to be made by doing away with district, state and national conventions and also with the lodge system which has not been able to withstand, in membership interest, competition of other forms of entertainment.

Director Smrha ordered that no distribution of assets be made.

Master Certificate Is Now Issued by National Union

The National Union Assurance has brought out a 20-year payment "master certificate" plan. It is described as a true monthly certificate with full face payable at death, whereas under some previous monthly payment policies deductions have been required at death for premiums due for the balance of the year. Under the master certificate such deduction is not made.

The certificate is paid up in 20 years. It has accidental injury benefits, payment of an accident benefit not reducing the face of certificate. It is practically incontestable after two years. Certificate loans may be made after three years for the purpose of paying premiums. Premium waiver clause may be included. Monthly premiums are:

| Age | Mo. Prem. | Age | Mo. Prem. | Age | Mo. Prem. |
|-----|-----------|-----|-----------|-----|-----------|
| 16 | \$1.87 | 31 | \$2.50 | 46 | \$3.71 |
| 17 | 1.91 | 32 | 2.56 | 47 | 3.83 |
| 18 | 1.94 | 33 | 2.62 | 48 | 3.95 |
| 19 | 1.98 | 34 | 2.68 | 49 | 4.09 |
| 20 | 2.02 | 35 | 2.74 | 50 | 4.24 |
| 21 | 2.05 | 36 | 2.81 | 51 | 4.38 |
| 22 | 2.09 | 37 | 2.88 | 52 | 4.55 |
| 23 | 2.13 | 38 | 2.95 | 53 | 4.73 |
| 24 | 2.17 | 39 | 3.02 | 54 | 4.91 |
| 25 | 2.21 | 40 | 3.11 | 55 | 5.11 |
| 26 | 2.25 | 41 | 3.19 | 56 | 5.31 |
| 27 | 2.29 | 42 | 3.29 | 57 | 5.63 |
| 28 | 2.34 | 43 | 3.38 | 58 | 5.97 |
| 29 | 2.39 | 44 | 3.48 | 59 | 6.39 |
| 30 | 2.45 | 45 | 3.59 | 60 | 6.88 |

Celebrating 43rd Year

The Ben Hur Life of Crawfordsville, Ind., this month is celebrating its 43rd anniversary. Prominence in the activities is being given to junior membership, which now numbers 18,000. A substantial gain in active junior members was made last year. The society was started in 1894 in small quarters on the second floor of a small two-story building in Crawfordsville, which in 1911 was torn down to make room for the large Ben Hur home office building.

Mrs. Dora Alexander Talley, president of the Woodmen Circle, Omaha, has been appointed on the advisory committee of the National Youth Administration for Nebraska.

Double Protection Form Is Issued by Fidelity Life

The Fidelity Life of Fulton, Ill., is now offering a "double protection" certificate at cost slightly greater than for the same amount of ordinary life. It will pay double the face amount during the first 10 years, plus return of all premiums paid if death occurs in that period. After 10 years the certificate would give the face amount of protection, the rate continuing but being slightly lower than that for the same amount of ordinary life taken at attained age.

At age 35 the deposit is \$28.54, which is paid annually throughout the life of the contract. The Fidelity Life points out that during the first 10 years at this

age at issue the cost per \$1,000 of protection would be \$14.27, which is a low rate for this type of legal reserve protection. In addition there are cash, loans, paid up or extended insurance values.

Newberry Succeeds Yates as W. O. W., Omaha, Secretary

J. T. Yates, 81, only living founder of the Woodmen of the World, Omaha, retired as secretary after holding that office 46 years. Farrar Newberry, a director, succeeds him. Mr. Newberry has been connected with the society for 22 years. He has been fraternal field worker, financial secretary, state manager, lawyer, legislator, school superintendent and professor of history at Henderson College. Mr. Yates will continue as secretary emeritus in advisory capacity to the finance committee. In June, 1890, Mr. Yates was a member of the group

What Is Legal Reserve Fraternal Life Insurance?

(Third of a series regarding legal reserve fraternal life insurance.)

When flood and destruction drenched cities, villages and farmlands in the Ohio and Mississippi valleys recently, legal reserve fraternal life insurance associations did much more than provide arrangements for each member to maintain his protection. Already organized into local lodges bound by the immortal ties of the brotherhood of man, members of these societies rendered yeoman service for the relief of flood victims. Lodge halls in the flood area and nearby communities were crowded with refugees. Members of these fraternal societies not affected by the flood, worked night and day to relieve suffering of those visitors in their lodge halls. Their homes were thrown open to fellow members in distress. It was fraternalism in action. Unaccountable thousands of dollars and truckloads of clothing were sent to the flood area lodges by members in all parts of the country. Practical fraternalism, learned in those same lodge halls for years, again answered the call of suffering mankind. The principle of mutual aid and assistance, preached for so many years, is actually practiced in legal reserve fraternal societies.

BEN HUR LIFE ASSOCIATION

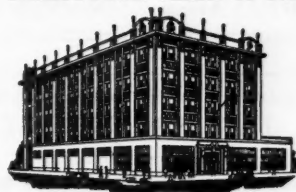
Established 1894

Home Office: Crawfordsville, Ind.

John C. Snyder,
President

Edwin M. Mason,
Secretary

THIRTY-FOUR YEARS OF FRATERNAL SERVICE AND ACHIEVEMENT



Our Own Home Office Building

The Aid Association for Lutherans has enjoyed a consistent growth since its organization in 1902 as a purely fraternal association, and now has

AID ASSOCIATION

FOR

LUTHERANS

(Legal Reserve Life Insurance)

APPLETON, WISCONSIN

\$169,300,636.06

Insurance in Force, with Total Assets of \$21,612,383.63

A REMARKABLE RECORD

| | |
|--|------------------|
| Assets, Dec. 31, 1929 | \$ 9,330,284.14 |
| Assets, Dec. 31, 1936 | 21,612,383.63 |
| (Increase 131.64%) | |
| Insurance, Dec. 31, 1929 | \$ 92,510,100.00 |
| Insurance, Dec. 31, 1936 | 169,300,636.06 |
| (Increase 83.01%) | |
| During this period, the Association paid \$11,237,026.70 to certificate holders and beneficiaries. | |

that founded the society in Omaha. He was an accountant and was chosen as sovereign clerk, corresponding to secretary. The society was incorporated in 1901.

Williams Head Escort

C. B. Williams of San Jose, Cal., resigned as head escort of the Woodmen of the World, Denver, recently and President P. F. Gilroy appointed T. L. Bacon of Oakland, Cal., for the unexpired term. For several years Mr. Bacon has been clerk of a camp at Oakland and prior to that was district manager in Alameda and Contra Costa counties, Cal.

Argue Withholding of License

MADISON, WIS., March 18.—Commissioner Mortensen met with representatives of the Modern Woodmen to hear their plea that he reconsider his decision not to issue a Wisconsin license to the fraternal at this time. He stated he would not issue a license until he sees what changes in policies are decided upon at the June convention of the Modern Woodmen. Department representatives who participated in the

recent convention examination of the Woodmen believe Wisconsin should adhere to its present policy. The fraternal's representatives maintained departments of nine other states that examined the society reported they consider it solvent. No Wisconsin license has been issued since expiration of the 1935 license April 1, 1936.

Fraternal Bill in Missouri

The Missouri house insurance committee has recommended for passage a bill to give measure of control over fraternal to the insurance department. A company claiming exemption from the insurance laws would have to get from the superintendent a license showing that it is exempt. The superintendent will be empowered to require information from any fraternal claiming exemption. Those fraternal that limit their membership to particularly hazardous occupations could not be exempted.

The house has referred to the insurance committee the resolution asking an investigation of the activities of Royal Neighbors of Rock Island, Ill., in connection with its policy conversion program.

PACIFIC COAST AND MOUNTAIN

Whatley in Coast Address

Aetna Life Official Talks on Sales Methods at Oakland-East Bay Gathering

S. T. Whatley, agency vice-president of Aetna Life, spoke to the Oakland-East Bay Life Underwriters Association on "Life Underwriting as a Life Career." He gave observations from his experience as fieldman, general agent and company executive, urging constant study and improvement. He warned that unless life insurance holds a challenge to give the best in one, he should get out of the business voluntarily before being put out by competitors. Clients' problems should be discussed in a manner to win respect, and the approach should be from the standpoint of rendering service rather than selling a policy. Instead of dividends, net costs and cash values, there should be emphasized the possibilities of what life insurance will do in solving life problems.

For the agent to do all the talking is a fatal error, he said. The greatest thing that has come into life insurance selling in recent years, he said, is the realization of agents that they must sell life insurance to fill needs rather than for mathematical results in years to come.

He urged that the best sales presentation be made each time an opportunity arises. There should be no false feeling that prevents solicitation of friends.

Mr. Whatley said social security legislation will prove one of the greatest boosts life insurance has ever had, focusing the public attention on the need for assured income in old age.

He urged full cooperation in observing Life Insurance Week this spring. He was national general chairman for the week last year. This was his only public appearance during his agency trip through the southwest and Pacific Coast, and was a tribute to C. A. Moore, general agent Aetna Life in the Oakland-East Bay territory and president East Bay association. Following his visit in San Francisco with his brother, F. C. Whatley, general agent Aetna Life, and Mr. Moore, Mr. Whatley went on to the Pacific Northwest for conference with company representatives in that territory. He is accompanied on his trip by Mrs. Whatley.

Boileau in Los Angeles

Wallis Boileau, Jr., second vice-president Penn Mutual Life, was the guest of honor at an agency banquet held by General Agent Fred M. McMillan of Los Angeles in celebration of the agency's February record.

Bulkley on Coast Visit

G. E. Bulkley, vice-president Connecticut General Life in charge of underwriting, has been visiting the Los Angeles and San Francisco agencies. The southern California agency in Los Angeles held a meeting in his honor, attended by the entire field force.

Royal Neighbors to Celebrate

On March 21 the Royal Neighbors of Rock Island, Ill., the largest fraternal for women in the world, will celebrate its forty-second anniversary. Its 10 largest camps are the following: Chicago, 808 and 617; Springfield, Ill., 795; St. Joseph, Mo., 750; Rock Island, Ill., 650 and 644; Milwaukee, 648; Alton, Ill., 633; Minneapolis, 630; East St. Louis, 588. Its five largest juveniles are Minot, No. Dak., 298; St. Genevieve, Mo., 289; Watseka, Ill., 197; Fargo, No. Dak., 187; Muscatine, Ia., 175.

WPA Man Reports on Survey

Stricter Supervision, More Convenient Payment Plans, Trained Agents Needed—Talks to Utah Group

SALT LAKE CITY, March 18.—The expansion of the Utah insurance department, the licensing of all agents selling life or disability insurance, and strict state supervision of mutual benefit and benevolent associations, were among the recommendations made this week by Irvin Hull, assistant state director of finance and statistics for the WPA, in a talk before the Salt Lake Underwriters Association. Mr. Hull's remarks and recommendations were based on a survey of life insurance experience in Utah households involving 5,000 families.

Mr. Hull said that insurance premium taxes amounted to \$298,090 and license fees \$30,000 during the fiscal year of 1936, and yet the actual expenditure of the insurance commissioner's office amounted to a mere \$8,348. More should be spent for supervision, he said.

Convenient Payments Needed

Insurance companies should give consideration to plans of premium payment that will be convenient to the policyholder and "will be synchronized with the flow of the household income," Mr. Hull urged. Companies should establish agents on a permanent basis, giving each a course in the fundamentals and principles of life insurance.

Notes should not be accepted as initial premium payments or should be discouraged, said Mr. Hull. Insurance associations should foster and promote public education in life insurance. The greatest lapses in policies come at the ages from 27 to 30. Lapses are heavy when the company is not represented locally, he said.

Triplets Are Insured

The Ohio State Life has received through its Pittsburgh agency applications for insurance on triplets born March 7 to Mr. and Mrs. Laurence Marchetti. They have been named Lena, Louis and Lorain. All weighed less than five pounds at birth.

ACTUARIES

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COATES & HERFURTH
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SAN FRANCISCO LOS ANGELES

INDIANA (Cont.)

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Consulting Actuary
307 Peoples Bank Building
INDIANAPOLIS, INDIANA

ILLINOIS

DONALD F. CAMPBELL
Consulting Actuary
160 N. La Salle Street
Telephone State 1213
CHICAGO, ILLINOIS

Specialty, Income Taxes of Insurance Companies
WILLIAM W. CHAMBREAU
Consulting Actuary and Tax Consultant
111 West Monroe Street, Chicago
Organization, Management, Tax Service
Washington Office Investment Bldg.

CONOVER, GREEN & CO.
Actuarial and Insurance Consultants
120 South LaSalle Street, Chicago
Chase S. Conover Telephone
Walter C. Green FRANKlin 8868

B. R. NUESKE
Actuary and Insurance Consultant
All Phases of the Business—
38 North LaSalle Street
Chicago - Illinois
Telephone State 0563

HARRY S. TRESSEL
Certified Public Accountant and
Actuary
10 S. La Salle St., Chicago
Telephone Franklin 4828

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ALEXANDER C. GOOD
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Consulting Actuary
Actuarial, Agency and
Management Problems
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MILES M. DAWSON & SON
CONSULTING ACTUARIES
500 Fifth Avenue New York City

Established 1885 by David Parks Fackler
FACKLER and BREIBY
Consulting Actuaries
Edward B. Fackler William Breiby
4 WEST 40TH STREET NEW YORK

PENNSYLVANIA

FRANK M. SPEAKMAN
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SALES IDEAS AND SUGGESTIONS

Carnegie Gives His Rules for Influencing People

NEW YORK, March 18.—Dale Carnegie, public speaking authority whose book "How to Win Friends and Influence People" is termed the fastest selling non-fiction book in a decade, told of five ways to attract people and nine ways of winning them to one's way of thinking in his address at the annual banquet of the New York Life Underwriters Association. Mr. Carnegie's general maxims are:

1. Don't criticize. Instead of condemning people try to understand them. Try to figure out why they do what they do. That's a lot more profitable and far more intriguing than criticism. And it breeds sympathy, tolerance and kindness. "To know all is to forgive all."

Honest Appreciation Is Deepest Human Urge

2. Give honest appreciation. Prof. John Dewey, America's most profound philosopher, declares that the deepest urge in human nature is "the desire to be important." And compliments make us feel important. We all crave appreciation, we all long for sincere praise—and we seldom get either. I am not suggesting flattery. Flattery is from the teeth out. Sincere appreciation is from the heart out. Flattery is selfish, shallow and insincere. It ought to fail and it usually does.

3. Don't talk about what you want. Talk about what your listener wants. I like strawberries and cream but when I went fishing up in Maine last summer I didn't bait the hook with what I liked, but with what the fish liked. Why don't you and I use the same common sense when fishing for men? You are intensely and internally interested in what you want. But no one else is. The rest of us are just like you: we are interested in what we want.

Five Methods to Get Oneself Liked

The five ways for making oneself liked Mr. Carnegie listed as follows:

1. Become genuinely interested in other people. You can make more friends in two months by becoming interested in other people than you can in two years by trying to get other people interested in you. Why should people be interested in you unless you are first interested in them?

2. Smile. A smile radiates warmth. It says, "I am glad to see you. You make me happy." Well, if you are genuinely glad to see me, I am going to be glad to see you. An insincere grin? No. That doesn't fool anybody. We know it is mechanical and we resent it.

Name Is Sweetest Sound in Language

3. Remember that a man's name is to him the sweetest and most important sound in the English language. When you are talking to him keep saying his name over and over in your mind. Use his name several times in your conversation and when you say good-bye repeat his name again.

4. Be a good listener. Encourage other people to talk about themselves. Ask questions that the other man will enjoy answering. Encourage him to talk about himself and his accomplishments. Remember that the man you are talking to is a hundred times more interested in

himself and his wants and his problems than he is in you and your problems.

5. Make the other person feel important—and do it sincerely. You want the approval of those with whom you come in contact. You want the recognition of your true worth. You want a feeling that you are important in your little world. You don't want to listen to cheap insincere flattery, but you do crave sincere appreciation.

The following are Mr. Carnegie's nine maxims for influencing people to one's way of thinking:

1. The only way to get the best of an argument is to avoid it. Nine times out of ten an argument ends with each of the contestants being more firmly convinced than ever that he is absolutely right. Real salesmanship isn't argument. It isn't even anything remotely like argument. The human mind isn't changed that way. You can't win an argument. You can't because if you lose it, you lose, and if you win it, you lose it.

Show Respect for Other Person's Opinions

2. Show respect for the other person's opinion. Never tell him that he is wrong. It is difficult under even the most benign conditions to change people's minds, so why make it harder? If you are going to prove anything, don't let anybody know it. Do it so subtly, so adroitly that no one will feel you are doing it.

3. If you are wrong, admit it quickly and emphatically. When we are wrong—and that will be surprisingly often if we are honest with ourselves—let's admit our mistakes quickly and with enthusiasm. That technique will not only produce astonishing results, but believe it or not, is a lot more fun under the circumstances than trying to defend oneself.

4. Begin in a friendly way. If your temper is aroused and you tell 'em a thing or two, you will have a fine time unloading your feelings. But what

about the other fellow? Will he share your pleasure? Will your belligerent tones, your hostile attitude make it easy for him to agree with you?

5. Get the other person saying "Yes-Yes" immediately. Don't begin by talking about the things on which you differ. Begin by emphasizing—and keep on emphasizing—the things on which you agree. Keep emphasizing—if possible—that you are both striving for the same end and your only difference is one of method and not of purpose.

6. Let the other man do a great deal of the talking. Most people when trying to win others to their way of thinking do too much talking themselves. Salesmen, especially, are guilty of this costly error. Let the other man talk himself out. He knows more about his business and his problems than you do. So ask him questions. Let him tell you a few things. Let's be a good audience for the other chap. And when he finishes he will probably be encouraged by our attitude to be a good audience for our side of the story.

7. Try honestly to see things from the other person's point of view. Remember that the other man may be totally wrong. But he doesn't think so. Don't condemn him. Any fool can do that. Try to understand him. Only wise, tolerant exceptional men even try to do that.

8. Let the other man feel that the idea is his. Don't you have much more faith in ideas that you discover for yourself than in ideas that are handed to you on a silver platter? If so, it is bad judgment to try and ram your opinions down the throat of other people? Or would it be wiser to make a suggestion—and let the other man think out the conclusion for himself?

9. Be sympathetic with the other person's ideas and desires. Wouldn't you like to have a magic phrase that would stop arguments, eliminate ill feeling, create good will and make the other person listen attentively? Begin by saying: "I don't blame you one iota for feeling as you do. If I were you I would undoubtedly feel just as you do." And you can say that and be 100 percent sincere in it because if you were the other person you would probably feel the same as he does. Three-fourths of the people you will meet tomorrow are hungry and thirsting for sympathy. Give it to them and they will love you.

Programming Essentials Told at San Antonio, Tex.

Programming was discussed at the March meeting of the San Antonio Life Underwriters Association. T. J. Bruner enumerated the "Fundamentals of Programming." Determining of the present and future needs of the prospect and his family, ascertaining the amount and character of the prospect's life insurance, selling of additional insurance to meet changing situations and keeping the program within the understanding of the prospect. Mr. Bruner said the agent should not attempt to program where it is not needed.

J. A. Stein said the first question for the agent to answer is "Is programming profitable?" He feels that it is. During the past six years Mr. Stein has made 240 audits, and as a result made 73 one policy sales; 32, two policies; 11, three policies; four sales of four each; five of five each; and two of six policies each. Auditing a prospect's policies and assisting in the carrying out of a definite program increase the average size of the policies sold and decrease lapsation.

To secure the policies of an entire stranger for auditing with a view to programming, Mr. Stein says that he uses an introduction card which has on one side, the two words, "from" and "to." On the back of this card, which carries his name and that of the friend who is introducing him, is the statement, "Julius has something which will interest you, and I assure you that he will not try to sell you any life insurance."

When Mr. Stein has audited the prospect's policies, he asks the prospect what he hopes to accomplish through his life insurance and then informs him of the needed changes. He then asks questions concerning the financial exigencies to be provided for, the problems concerning beneficiaries, method of payment to the beneficiary, and other vital matters.

Following the discussion of programming, Matthew Brown, president, spoke of the prospects of the guardianship bill now before the Texas legislature. He urged members to follow through on the efforts to eliminate part time agents.

Investment Points Analyzed

DENVER, March 18.—The worth of any investment must be judged according to eight fundamental points and life insurance meets those qualifications more perfectly than anything else, L. E. Dolan, cashier for the Travelers here, told the Denver Chapter of the National Association of Cost Accountants at its convention.

"The points of qualification named are: Will the company guarantee the investment as long as it remains in the possession of myself or my family? Will the company manage it for me and my family while it remains in our possession? Will the company guarantee the income return to be paid to me and my family? Will the company finance the purchase of this investment for me over a convenient period of years? Will the company guarantee not to call on me for additional collateral or sell me out? Will the company cancel further payments in the event of my death? Will the company guarantee final settlement at 100 cents on the dollar? Will the company transfer this investment to my heirs without probate, delay or expense?"

"If you will ask those questions sincerely and carefully," Mr. Dolan said, "you will find that each form of invest-

ment answers 'No,' with the exception of life insurance. Those same questions, applied to life insurance, are answered with an emphatic, 'Yes.' And, further, it is the only investment in the United States that guarantees so much by contract."

Comparing life insurance to other forms of investment, he continued: "We have now set out to invest in order to replace in our old age, our earned income. For the purpose of illustration, let us imagine we are 35 years of age and desire an income of \$100 per month 20 years hence at age 55, and to maintain this income for an indefinite number of years after age 55."

"Briefly, this is a 5 percent return on \$24,000 capital. This would require an annual investment of \$1,200 for 20 years if no allowance is made for interest earnings. If placed in a savings bank at 3 percent compound interest (and there are not many banks paying this rate) an annual deposit of \$867.12 is required. If invested in bonds yielding 5 percent (and a review of the bond list would indicate that this type of bond has gone with the wind) an annual investment of \$691.20 is required. If invested in a building and loan association

at 6 percent, an annual investment of \$615.60 is required. These annual investments must be made for a period of 20 years and nothing is guaranteed. Should death overtake us before age 55, our \$24,000 goal is not made."

"We leave behind us, either a problem of investment for our families, who have had little or no experience in such matters, or we leave a load of debt by way of unfinished investment obligation. And, believe me, the ticker tape is a poor thing for a man to use to hang his family. For an annual investment of \$707.60 for 20 years, the equivalent of 5 percent on \$24,000, or \$1,200 a year is guaranteed for life after age 55 without the necessity of investing and re-investing at that time and no possibility of capital loss."

Uses Predated Checks

In selling policies with stock premiums, Lawrence McDonough, Cleveland general agent of Mutual Trust Life, has found the plan of using pre-dated checks successful. Before he delivers the policy, Mr. McDonough goes to the policyholder's bank and gets 12 blank checks and fills them in for the monthly premium. When he delivers the policy he has the client sign the checks. He has had no trouble in getting the checks cleared and the plan has been welcomed by clients who like the automatic way of taking care of premiums.

MANAGERS ASSOCIATION

Seek to Eliminate Unfit

ST. PAUL, March 18.—Ways of eliminating undesirable and unfit agents were discussed at a joint meeting of the St. Paul and Minneapolis managers and general agents clubs here. It was agreed that the managers and general agents of both cities should cooperate in keeping their agency staffs on a high professional plane and to frown on anything that would tend to bring the business into disrepute.

Cox Talks on Legislation

Ray Cox, vice-president California-Western States Life, spoke to the Oakland-East Bay Managers & General Agents' Association on pending legislation affecting life insurance.

Zimmerman on Program

C. J. Zimmerman, past president Life Underwriters Association of Northern New Jersey and New Jersey general agent Connecticut Mutual Life, will be principal speaker at the general agents' and managers' meeting of the Pittsburgh Life Underwriters Association, at the Duquesne Club, Pittsburgh, March 23. His topic will be "Building Agency Prestige." In the morning he will address the R. N. Waddell agency Connecticut Mutual Life there on "Closing Tactics."

Exemption Ruling on Social Security

(CONTINUED FROM PAGE 1)

ture and those exercising functions of a proprietary nature.

All of these various associations and companies are eligible to become members or non-member borrowers of the federal home loan banks if they are properly organized under state or federal law, are subject to inspection and regulation under banking or similar laws of state or the United States, and if they make such home mortgage loans as in the judgment of the board are long term loans, and in the case of savings banks, if in the board's judgment their time deposits under the federal reserve act warrant making such loans.

May Become Fiscal Agent

When designated for that purpose by the Secretary of the Treasury, any federal savings and loan association or member of any federal home loan bank may be employed as fiscal agent of the government or may act as agent for any other instrumentality of the United States when so designated.

The federal home loan bank of Washington is reported to desire having life companies become members of the system. This system was created by Congress in 1932 as a central reserve bank for building and loan associations and savings banks, but so far has been used almost exclusively by the former. Any organizations wishing to join must make initial subscriptions to bank stock of the regional bank with which it wants to become associated of 1 percent of the unpaid balance on the home mortgage loans outstanding, minimum subscriptions being \$500. Members may obtain advances secured by long time amortized loans made by the member institutions and also may secure advances on a non-collateral basis for a year or less. The rates vary from 3 percent to 3½ percent annually, depending on the bank.

The system is very flexible, furnishing vast reservoir of credit for home mortgage lending institutions similar to the manner in which the federal reserve banks furnish funds to commercial banks, and gives to life companies' home

mortgages great liquidity in time of emergency.

In various meetings of life company officials in the last year or so it has been repeatedly stressed by speakers that the Federal Home Loan Bank system is a permanent institution of great value to life companies, and that they could profit by becoming members. The system is self-supporting.

Many life company executives are strongly opposed to a bill pending in Congress to create a central mortgage discount bank, a measure against which trustee lending institutions are practically unanimously opposed. It is believed that wide membership of trustee home lending institutions in the Federal Home Loan Bank system would dispose of the central mortgage discount bank idea.

Federal reserve banks as instrumentalities of government have been ruled exempt from the social security act. The American Bankers Association recently proposed to the social security board that an amendment be prepared specifying this exemption.

Pacific Mutual's Figures for 1936

(CONTINUED FROM PAGE 3)

able and unusual expense and charge-offs. The expense attendant upon the rehabilitation in California and receiverships in other states paid and provided for, amounted to about \$256,000; about \$367,000 was written off on account of improvement in the home office building, which improvements have substantially increased the actual rental income of the building, and additions were made to contingency reserves.

It was stated the modernization of the old home office building increased net rental value \$68,400 yearly, this modernization cost already having been written off. In addition to better showing made possible by using market values of bonds, if credits were taken for market value of stock, unassigned surplus would be increased \$636,227.

Net interest rate earned from July 22 to Dec. 31 was 3.87 percent after deducting all investment expenses paid or incurred. Actual to expected mortality combined for the participating and non-participating life departments for the period was 53 percent. Permanent total disability benefit reserves were set up on a higher standard than employed prior to July, 1936, the new standard—meeting all recommendations by insurance departments.

Non-cancellable Department

Non-cancellable monthly indemnity in force as assumed under the rehabilitation plan has been valued, using reserve tables based on Pacific Mutual experience, the claim rate being that developed on experience of years 1930-34, claim duration developed on experience of years 1932-34, and interest 3½ percent. The company states reserves thus carried provide for future losses even if experience should be as unfavorable as the most unfavorable experience of the past and more than meet standards employed by insurance departments.

Reserves set up in the accident department on other than non-cancellable policies are on a more severe basis than heretofore, and conform to actual experience. Claim expense reserves have been set up to cover future expense in connection with all claims of the accident department already incurred, these reserves being appreciably strengthened. The balance sheet as of Dec. 31, 1936, is shown as table B herewith.

The bond portfolio shows this distribution: United States bonds 20 percent; Canadian 1.38 percent; state 3.16 percent; municipal 20.42 percent; railroad 14.41 percent; public utility 27.43 percent, and industrial-miscellaneous 13.20 percent.

Effective May 1, dividends to policyholders in the participating life depart-

ment will be increased an average of 25 percent.

Considerable savings in management

TABLE A
History of Surplus and Earnings from July 22-Dec. 31, 1936

| | Part. Life | N. P. Life | Accident & Health | Corporate Account | Total |
|--|------------|------------|-------------------|-------------------|-------------|
| Surplus, 7-22-36 | \$ 423,136 | ..... | ..... | ..... | \$ 423,136 |
| Surplus, 12-31-36 ..... | ..... | ..... | ..... | ..... | 2,000,000 |
| Liability decreased, 12-31-36 ..... | ..... | ..... | ..... | ..... | 191,945 |
| Earnings before transfers | 1,342,375 | \$54,123 | \$126,900 | 1,343 | 1,524,742 |
| Dividends to policyholders | —553,155 | ..... | ..... | ..... | —553,155 |
| Transfers | —135,000 | —54,123 | —126,900 | +316,024 | ..... |
| Par. policyholders surplus, 12-31-36 (after transfers) | \$ 977,356 | ..... | ..... | ..... | \$ 977,356 |
| Surplus, 12-31-36 (after transfers) ..... | ..... | ..... | ..... | ..... | \$2,509,313 |

TABLE B
ASSETS

| | Participating Life Dept. | Non-Participating Life Dept. | Accident & Health Dept. | Totals |
|--|--------------------------|------------------------------|-------------------------|---------------|
| Cash and bank balances | \$ 7,688,017 | \$ 1,888,236 | \$ 2,612,989 | \$ 15,697,450 |
| Funds subject to court control | 1,344,858 | 453,445 | 132,527 | 1,930,831 |
| Total cash items | \$ 9,032,875 | \$ 2,341,682 | \$ 2,745,517 | \$ 17,628,281 |
| Bonds: Government, state and municipal | 17,040,115 | 7,142,609 | 614,637 | 24,797,362 |
| Bonds: All others | 19,196,930 | 7,983,170 | 3,175,640 | 30,355,740 |
| Stocks | 43,880,030 | 1,626,370 | 2,304,390 | 47,810,791 |
| First mortgages on real estate | 45,941,853 | 19,248,799 | 15,759,152 | 80,949,804 |
| Real estate owned | 11,442,093 | 4,796,118 | 2,672,653 | 18,910,865 |
| Collateral loans | 1,566,349 | 656,557 | 72,000 | 2,294,906 |
| Loans on policies | 25,834,017 | 8,512,198 | ..... | 34,346,215 |
| Interest due and accrued | 1,954,890 | 737,256 | 218,952 | 2,912,206 |
| Outstanding and deferred premiums | 2,454,925 | 1,340,466 | 851,488 | 4,646,880 |
| Total admitted assets | \$138,344,086 | \$ 54,385,230 | \$ 28,414,431 | \$224,653,061 |

LIABILITIES

| | | | | |
|---|---------------|---------------|---------------|---------------|
| Reserves on policies | \$118,110,534 | \$ 49,262,564 | \$ 6,699,430 | \$174,072,528 |
| Reserves for approved claims payable in instalments | 8,860,911 | 3,310,863 | 18,932,000 | 31,153,774 |
| Claims awaiting completion of proofs | 1,014,266 | 460,155 | 1,546,330 | 3,020,752 |
| Policy dividends left with company | 4,421,477 | 23,525 | ..... | 4,445,002 |
| Premiums paid in advance | 949,057 | 149,920 | ..... | 1,098,977 |
| Interest paid in advance | 418,251 | 142,747 | 3,204 | 564,202 |
| Reserve for taxes | 482,800 | 208,700 | ..... | 894,800 |
| Miscellaneous liabilities | 314,057 | 128,234 | 311,562 | 753,854 |
| Reserve for dividends payable to policyholders | 1,128,915 | ..... | ..... | 1,128,915 |
| Investment contingency reserves | 1,666,458 | 698,520 | 668,603 | 3,033,582 |
| Surplus participating department | 977,356 | ..... | ..... | 977,356 |
| †Capital ..... | ..... | ..... | ..... | 1,000,000 |
| †Corporate Surplus ..... | ..... | ..... | ..... | 2,509,313 |
| Total liabilities | \$138,344,086 | \$ 54,385,230 | \$ 28,414,431 | \$224,653,061 |

*Preferred, \$6,552,529; common, \$1,258,262.

†Available for all departments.

Little Gem Big Aid in Program Work

(CONTINUED FROM PAGE 3)

tained for some definite future purpose. The interest incomes per \$1,000 of proceeds and the insurance required to produce \$10 monthly incomes from interest are both shown at 3½, 3¾, 4, 4¼, 4½ and 5 percent interest. By simple multiplication, any desired income or principal sum needed, is readily obtainable from the data shown.

The new value inter-change table offers a quick way of finding the cash value when the paid-up value only is known and vice versa, and is especially useful when working with old policies that have been in force over 20 years. Cash values at retirement ages for old policies are available from the reserve tables of the Little Gem and for current policies they are given, for convenience, right with each company's other information. In programming, these retirement values are of particular interest to the prospect or client himself for they concern that part of the program which provides for his own old age. Social security data in the Little Gem not only gives the pensions and benefits but shows how this new law can be used as a foundation on which any individual

may build his own individual security through life insurance.

All this information makes life insurance salesmen better qualified properly to present life insurance, which should mean (1) better sold and better understood life insurance and (2) larger incomes for the agents. The 1937 Little Gem, which is an entirely new book this year—printed in large easy-to-read type and in a new size 6¼x4 inches—will be off the press before the end of the month. It sells singly at \$2 and at lower quantity and company club prices. Orders will be delivered in sequence as received. It may be ordered through any NATIONAL UNDERWRITER office or direct from the publication office, 420 East Fourth street, Cincinnati.

Modifying \$250 Omaha Tax

The \$250 tax imposed in Omaha upon all insurance companies operating there will probably be amended to apply for only one year. As originally passed, the ordinance provided for a continuing annual tax of that amount. If the ordinance is amended, the companies will probably make no effort to have it overturned or to make any kind of a surcharge on policyholders in Omaha.

HOTEL

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